

## **Employee State Insurance Act (ESI) Scheme to get implemented all districts of India by year end.**

Presently the ESI Act is applicable to only those implemented arrears where they have Hospital facilities to provide benefits to the Insured persons. At present ESI is implemented fully in 443 districts and partially implemented in 153 districts. Further a total of 148 districts are yet to get covered under the scheme.

But with the latest TOI news article dated 20<sup>th</sup> June'2022 (copy enclosed), ESI plans to extend the coverage to every part of the country by end of 2022. This will lead to total social security to all eligible employees working in any corner of the country.

## **Process for obtaining Certificate of Coverage (COC) under EPF Act.**

The COC (also called a detachment certificate) is a certificate issued to an international worker (IW) by his or her home social security authorities that exempts the IW from contributing to the social security (PF) in the host country as long as he or she is contributing to their home social security system.

Steps to obtain COC online:-

**Step 1:** -

Click EPFO Website [www.epfindia.gov.in](http://www.epfindia.gov.in) >>> International Workers Portal >>> Application for COC

**Step 2:** -

Login with UAN & Password >>> Select Member ID >>>

**Step 3:** -

Enter details of detachment & upload scanned copy of passport >>>

**Step 4:** -

Application would move online to Employer on IW Portal for verification & attestation >>>

**Step 5:** -

Verified & attested application will be forwarded to concerned EPFO Office for approval>>>

**Step 6: -**

After approval, employee can download COC from IW Portal.

**Why were Labour Codes not implemented on 1st July, 2022?**

Here are some view points as came to my mind while answering above question.....

1. I do not know from where this 1st July, 2022 came into existence. Was there any pre-announcement from Government. Was it mandatory for Govt. to make it effective from 1.7.2022 or Is there any other reason?

2. Even though Codes were enacted long back by both the Houses of Parliament and the President has also assented to it, it is yet to see the ray of the light for the reasons well to the Government.

3. Since past 1-2 months, the message was floating on social media as well as print media confirming that the Labour Codes will be implemented from 1.7.2022 which had created much hype in corporate sector and we used to be flooded with daily calls wasting each others precious professional time.

4. The delay in implementation is leading to both, employers and employees to find more and more flaws in the Codes particularly in the definition of 'wages' in the first Code itself i.e. Code on Wages 2019 which is common across all four Codes and is not simple but most complex.

5. On one hand Govt. says the Codes are enacted for EASE OF DOING BUSINESS and avoid multiplicity of various provisions and create more clarity and understanding amongst the stakeholders, however, in reality, rather than understanding, it would create more misunderstanding just like its date of implementation.

6. No doubt, these 4 Codes have subsumed 29 various Central Labour Laws but prima facie its interpretation would run in hundreds or thousands of pages or volumes leading to increase in litigation at later date.

7.I, therefore, strongly feel that since the existing Labour Laws are well settled with its historical background of more than 75 years or so and hence, considering large apprehension of opposition from the stakeholders namely Employers and especially Employees, Govt. should defer its implementation forever and carry out minor changes in each Act separately and ask all employers to file Uniform/Unified Return on its Portal which is happening presently.

8.IR Code has also done away with Labour Courts putting immense load on Industrial Tribunals which has replaced Labour Courts in IR Code, 2020 with two members thereon and hence, it cannot be expected that disputes will be disposed of expeditiously.

9.So also, there is no clear distinction between workers and an employee which is also likely to create more confusion. All employees not excluding managers supervisors would be entitled to overtime payment for additional work and hence, could approach the authorities and thus, increasing further litigations thereon.

I am also sharing one article dated 30<sup>th</sup> June'2022 on the subject for your knowledge and reference.





# HOW TO APPLY FOR CERTIFICATE OF COVERAGE (COC)



Visit

'International  
Workers  
Portal' on EPFO  
website.  
Select  
'Application  
for CoC'.



Login  
with 'UAN' &  
'Password'.  
Select  
'Member ID'.



Enter details  
of detachment  
& upload  
scanned  
copy of  
passport.

Application will move online to Employer on IW Portal for verification & attestation.

Verified & attested application will be forwarded to concerned EPFO Regional Office for approval.

After approval, employee can download CoC from IW Portal.



## ESI scheme to cover all India by year-end

**New Delhi:** The Employees' State Insurance Scheme, a social security programme for workers, will be extended to every part of the country by the end of 2022, the Employees' State Insurance Corporation decided on Sunday.

At present, ESI is implemented fully in 443 districts and partially in 153 districts. A total of 148 districts are not covered under the scheme.

Led by Union labour and employment minister Bhupender Yadav, the ESIC decided to set up 23 new 100 bedded hospitals across the country, including six in Maharashtra, four in Haryana, two each in Tamil Nadu, Uttar Pradesh and Karnataka and one ESI hospital each in Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Madhya Pradesh, Odisha and West Bengal.

To fulfil the need for skilled manpower in healthcare and narrow the gap between the demand and supply of skilled manpower, ESIC said it will start certificate courses in 10 disciplines in three of its medical colleges at Fariabad, Hyderabad and Chennai for healthcare link workers, as a pilot project. ESIC will set up new hospitals and upgrade existing ones. TNN



# New labour codes not to be introduced today

INDRANIL DHASMANA  
New Delhi, 30 June

The Union government will take a bit longer to introduce the much-awaited labour codes even as the majority of states and Union Territories (UTs) have framed rules on them. There were speculations that these would be introduced from Friday.

While 30 states and UTs have framed rules on the code on wages, 25 of them have done so on industrial relations. Of the two remaining codes, 24 states and UTs have framed rules on social security and 23 on occupational safety, health, and working conditions (OSH), sources said.

The Centre has already finalised rules on all the four codes.

It is still to be decided whether the codes will be implemented one by one or all at one go. "That decision is yet to be taken. There are pros and cons of both the approaches," a source said.

He said if all codes are implemented at one go, it may take some time since rules from all the states on four codes have not come. But if it is implemented code by code, then at least some codes would come into effect. However, there is apprehension that other codes may take longer to be introduced in this case.

Once implemented, the codes will replace 29 existing labour laws.

Among the four, the most controversial is the one on wages. One of its provisions says if all payments other than wages (basic and dearness allowance) exceed 50 per cent (of the total) or such other percentage as may be notified by the government, then the excess will be included in wages. This means wages will need to be at least 50 per cent of the remuneration of the employee.

As a general industry-wide practice, wages do not constitute 50 per cent of the remuneration. They are in the range 30-35 per cent because remuneration is increasingly based on performance incentives, bonuses, and other allowances. The change would mean that more would be deducted as provident fund from staff which many fear would leave less cash in



## WHAT'S ON CARDS

■ The government has notified four labour codes that will replace 29 existing labour laws

■ Of them, the Code on Wages was passed by Parliament in August 2019

■ The remaining three – on social security, industrial relations and occupational safety, health and working conditions (OSH) – were cleared by Parliament in September 2020

■ Both the Centre and the states are required to frame rules on these codes to introduce them since labour is in the concurrent list

■ The Centre has framed rules on all the four codes after getting feedback on its draft rules

■ 30 states and UTs have framed rules on code on wages, 25 on industrial relations, 24 on social security and 23 on OSH

hand for them.

However, sources said this also means long-term benefit. Besides, employees would have better bargaining power to ask for more wages, they said. They said there are distortions in the existing pay structure of many workers. Their basic wages could be as low as ₹2,000 a month and gross could touch ₹20,000 a month, they cited an example to buttress their points.

Meanwhile, a committee is working to determine the national minimum wage rate. The rules also empower the Centre and states to notify industry that can go for a four-day week. However, any such industry notified has to meet the condition that workers will work a maximum of 48 hours in a week. So if a four-day week is resorted to, workers will work 12 hours a day for four days and get a three-day off. Also, any work over eight hours will be taken as overtime and companies will have

to give double the wages to workers for this. This rule does not apply for administrative and managerial staff.

Codes also raised the maximum overtime to 125 hours in three months from 50 hours at present. This would provide flexibility to companies to adjust for changing cycles in the economy, sources explained.

The code on industrial relations will raise the requirement to over 300 workers from the current over 100 for establishments to comply with these codes. This means that the establishments with up to 300 workers can go for hire and fire. Already, 12 states have implemented this by reforming their own labour laws. Also those units using power will have to register with the government if workers are more than 20 against 10 now. The requirement will be raised to 40 from 20 in case of units not using power. This would give flexibility to MSMEs, a source said.

## HDFC NIMs to be under pressure for a quarter: Parekh

ABHJIT LELE  
Mumbai, 30 June

The demand for housing and



## BUSINESS REFORMS ACTION PLAN

# Andhra, Gujarat

ASIT RANJAN MISHRA  
New Delhi, 30 June

Seven states, including Andhra Pradesh and Gujarat, have emerged as the "top achievers" in the government's latest feed-

September 2020, Andhra Pradesh, Uttar Pradesh and Telangana were the highest rank holders.

In the latest edition of the Business Reforms Action Plan, Himachal Pradesh, Madhya Pradesh, Maharashtra, Odisha,