

New Labour Codes of India
Professor K. D. Raju
Rajiv Gandhi School of Intellectual Property Law
Indian Institute of Technology Kharagpur
Lecture 33
Social Security Organizations (SSOs)

Dear students in this class, we will discuss various Social Security Organizations under the Social Security Code. These social security organizations are the ones who are going to take care of all the benefits or the accruing benefits under different heads, for example, the ESI board or the PF or Social Security Board and other boards. So, all these see a list of organizations that are going to take care of the benefits or implementation of the Social Security Code 2020.

(Refer Slide Time: 1:01)

CONCEPTS COVERED

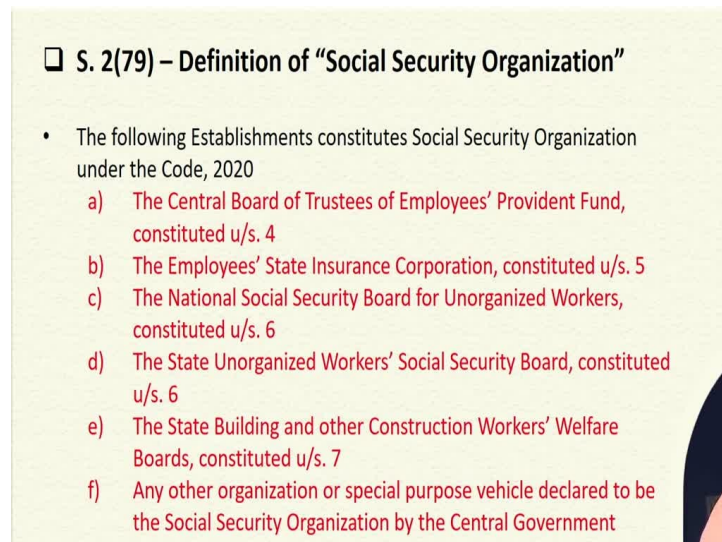
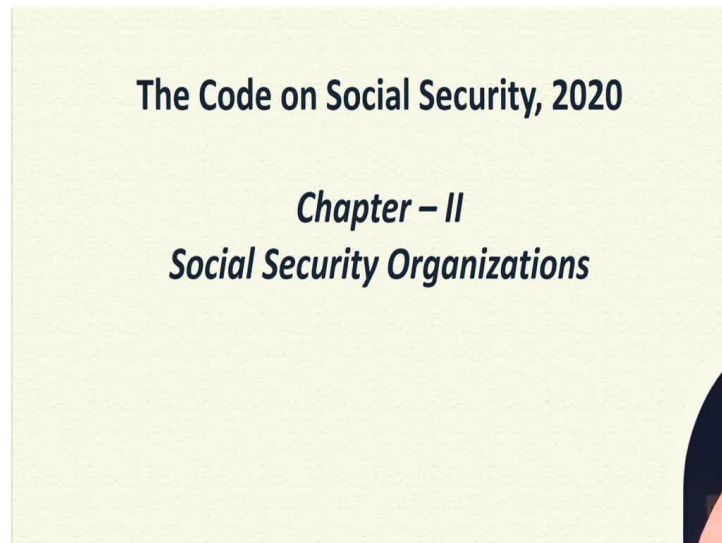
- Constitution of various Social Security Organizations (SSO) u/Code on Social Security, 2020

KEYWORDS

- Board of Trustees of Employees' Provident Fund
- Employees' State Insurance Corporation (ESIC)
- National Social Security Board
- State Unorganized Workers Board
- State Building Workers' Welfare Boards

So, we can see that these organizations are an integral part of the Social Security Code 2020 because the constitution of this board by the respective governments is going to manage or administer the new code. So, most importantly, we can say that the central code or central law has provided for state boards as well. So, the state also has to constitute a respective state board.

(Refer Slide Time: 1:35)



So, chapter 2 talks about social security organizations, we can see a bunch of social security organizations under the code, they are the central board of trustees of employees' provident fund. So, this is similar to that of the earlier legislation, the employees state Insurance Corporation, which is again similar or the same, I would say that the same as that of the earlier legislation.

The National Social Security Board of unorganized workers. So, this is borrowed from the Unorganized Sectors Act and also State Unorganized Workers Social Security Board and state building and other construction Workers' Welfare boards. So, I already said that some of the states have these state boards, State Construction Workers' Welfare Boards, and now every state government has to constitute a state building.

And other construction workers' welfare boards also you can say that the central government can nominate and constitute any special organizations. So, any special organization can be declared by the central government as social security organization under these particular provisions, we will see elaborately discuss what are the provisions of the Constitution of these particular different boards.

(Refer Slide Time: 3:09)

❑ Central Board of Trustees of Employees' Provident Fund



❑ Sec. 4: Board of Trustees of Employees' Provident Fund

- **Constitution** – The Central Government, through notification, constitutes the Board to fulfill the objective of Chapter – III (Employees' Provident Fund)
- **Name of the Board** – For the purpose of Chapter – III, this Board called as the “Central Board”

So, one of the most important boards is the Central Board of Trustees of the Employees Provident Fund why I said it is most important because this is one of the oldest boards after the EPF Act was passed in post-independent India. The contributions are from the employer as well as employees and also one of the highest interest-paid schemes by the government is the EPF scheme.

So, this particular board have special importance in the Social Security codes. Here the central government notifies the Board of the Trustees of the Employees Provident Fund and you can see that the name of the board is known as the central board.

(Refer Slide Time: 4:03)



➤ **Composition** – For the administration of the Board, the Central Government appoints:-

- a) A Chairperson and a Vice – Chairperson;
- b) Maximum 5 persons to be appointed amongst its officials;
- c) Maximum 15 persons, to be represented State Governments as the Central Government specifies for it;
- d) 10 persons representing employers of the establishments;
- e) 10 persons representing employees of those establishments;
- f) The Central Provident Fund Commissioner, *ex officio*

And here the nominations, the Constitution is by the central government, there will be a chairperson and a Vice Chairperson and 5 persons are among the appointed officials and a maximum of 15 to represent the state governments.

And definitely, we have more than 15 states but still, only 15 state government representatives and 10 persons representing the employers and 10 persons representing the employees of the establishments, also the central provident fund commissioner is the *ex officio* member. So, the Constitution is the same as that in the previous legislation.

(Refer Slide Time: 4:56)

- **Corporate** – The **Central Board** is a **Corporate body, having perpetual succession and a common seal**, under which by the name of Central Board may sue or be sued – u/s. 4(2)
- **Executive Committee** – The Central Government constitutes an Executive Committee from amongst the member of the Board **to assist the Central Board, for the performance of its functions according to the prescribed manner**, specified by the Central Government – u/s. 4(3)

- **Tenure of Office** – The member of the **Central Board and Executive Committee** shall **discharge their respective duties, according to the prescribed tenure period**, specified by the Central government

PROVIDED – The member of the Central Board shall **continue his office until his successor is appointed**, even if **his tenure was completed** – u/s. 4(6)

- **Any Other Functions** – The **Central Board**, may **discharge any other functions, apart from those specified in the Code**, in the prescribed manner, notified by the Central government – u/s. 4(7)

So here the central bodies definitely have an independent corporate body and have perpetual succession and a common seal so it is a legal entity, it is a complete legal entity and the executive committee. The central government constitute the executive committee among the members to assist the central board in performing all the functions.

So, this particular executive committee is selected from the board members and the tenure of office, we can see the central and Executive Committees, which we can see that will be prescribed under the new rules which are going to be made. So, and also we can see that the functions, there are a lot of functions which are not mentioned for this particular board and the main function is to manage the funds of this particular board, Provident Fund Board. And

also the central government came from time to time to notify any other functions to be included.

(Refer Slide Time: 6:03)



❑ **Sec. 5: Employees' State Insurance Corporation**

- **Constitution** – The **Central government**, for the purpose of Chap IV (Employees State Insurance Corporation) and for its administration, **constitute the Employees' State Insurance Corporation**
- **Name** – Under this Code 2020, ESIC has been named as “Corporation”

➤ **Composition** – The Central government appoints the following members to constitute ESIC:

- a) Chairperson
- b) Vice – Chairperson
- c) Maximum 5 persons to be appointed amongst its officials
- d) 1 person representing each of such State, as may be prescribed by the Central government
- e) 1 person to be appointed to represent the Union Territories
- f) 10 persons representing employers to be appointed, after consulting with such organizations of employers as may be recognized for the purpose by the Central government
- g) 10 persons representing employees of same organization, from which employers are represented

- g) 2 persons representing medical profession, to be appointed after consulting with such organizations of medical practitioners as may be recognized for the purpose by the Central government
- h) 3 members of Parliament out of whom 2 shall be member of Lok Sabha and 1 from Rajya Sabha, elected respectively by the members of the Lok Sabha and of Rajya Sabha; and
- i) The Director General of the Corporation, *ex officio*

The second most important corporation or the Social Security Organization is the Employee State Insurance Corporation. An Employee State Insurance Corporation is one of the central organizations which is running the largest hospital network all over the country. So Employees State Insurance Corporation also runs medical colleges and other beneficiaries can avail of it. It is not only the hospital or the medical benefits.

And other sets of benefits, which are provided by the ESI Corporation. And also the Constitution is similar to that of the Provident Fund Board there will be a chairman and chairperson and Vice Chairperson. And again, 5 officials and also most importantly, one person representing each of such states as may be prescribed by the central government.

So here we can see that there will be more people from the State governments and also one representative from the union territories. To represent the union territories, and the

representation of employees and employees are 10 each. And also 10, each representing the organization and also you can see that most importantly, 2 persons representing the medical profession, I do not know this organization.

One of the largest organizations running hospitals only 2 medical professionals, appointed, and consulting, it is an organization of medical practitioners. So, for these purposes, the central government appoints 2 medical practitioners for representing the medical profession. And then, more importantly, this is the one where the members of the parliament are members, 3 members of the Parliament.

So two from Lok Sabha and one from Raja Sabha are on the board. And the Director General of the ESI Corporation is an ex officio member. So that you can see the specialist agency where 2 medical professionals or 2 doctors are members, as well as 3 members of the parliament 2 from Lok Sabha and one from the Rajya Sabha, is also a member of this particular organization.

(Refer Slide Time: 8:37)

- **Corporate** – The Corporation is a **body corporate by the name of ESIC, having perpetual succession with common seal,** under which by the name of ESIC may sue and be sued – u/s. 5(2)
- **Standing Committee** – The Central government constitute a Standing Committee from amongst the members of the Corporation, in accordance with the prescribed manner – u/s. 5(3)

➤ **General Superintendence and Control of Corporation – u/s. 5(4)**

- a) The Standing Committee administer the affairs of the Corporation and exercise any of the powers and perform any of the functions of the Corporation, according to the prescribed manner
- b) The Standing Committee submit for the consideration and decision of the Corporation with regard to all cases and matters as may be specified in the regulation
- c) The Standing Committee in its discretion, may submit any other case or matter for the decision of the Corporation

And the same aspect of the Provident Fund Corporation is the body corporate and having perpetual succession with the common seal. So, it is a completely independent body. The central government again constitute a Standing Committee among the members of the corporation. So, the Standing Committee's duty is to help the corporation to run its activities.

So, the Standing Committee is actually administering the affairs of the corporation. So, all the day-to-day functions are handled by the Standing Committee. So, they administer they perform the functions and powers of the corporation and the Standing Committee submits for the consideration of the business of cooperation with regard to all cases and matters specified in the regulations.

So, as you can see that it is the Standing Committee's discretion, they may submit other cases that are to the concentration of the corporation. So, the Standing Committee works under the corporation and is virtually running the India Corporation.

(Refer Slide Time: 9:50)

➤ **Medical Benefit Committee – u/s. 5(5)**

- a) The **Central government constitute Medical Benefit Committee**, with such Composition as may be specified, in order to assist the **Corporation and Standing Committee, to perform of its functions relating to administration of medical benefits**
- b) The **Medical Benefit Committee shall perform those duties and exercise such powers** as prescribed by the Central government

And the central government constitute a Medical Benefit Committee. So, mostly we said that the prime objective or prime importance given by the Corporation is for medical benefit. So they provide medical benefits. So, assist the corporation's Standing Committee to perform its functions relating to the administration of medical benefits.

So, the Standing Committee itself will act as the medical committee. So, the medical committee perform the duties and taxes and powers as prescribed by the rules of the central government. So, there is a Medical Benefit Committee under the ESI Corporation.

(Refer Slide Time: 10:29)

❑ **National Social Security Board**



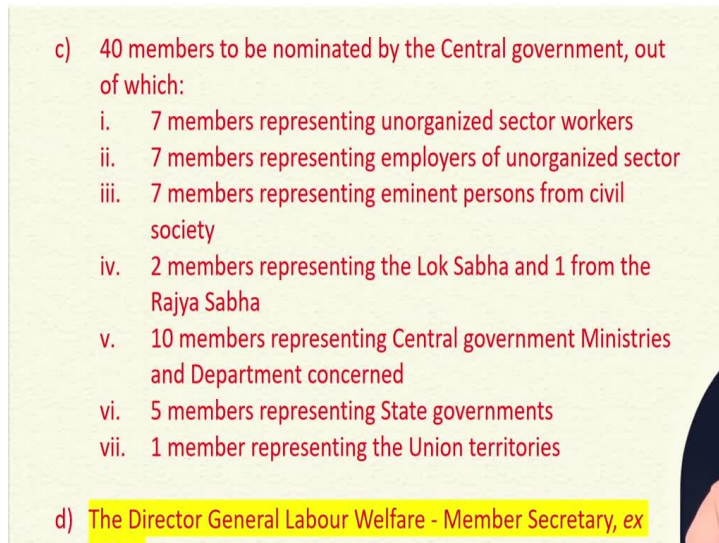
NSSF

- **Constitution** – The Central government constitute a National Social Security Board for unorganized workers, to exercise the powers conferred and perform the functions assigned under the Code – u/s. 6(1)
- **Composition** – The members of National Social Security Board consist of the following: - u/s. 6(2)
 - a) Chairperson – Union Minister for Labour and Employment
 - b) Vice – Chairperson – Secretary, Ministry of Labour and Employment

So, now, when it comes to the third Corporation, the National Social Security Board and also the constitution of the National Social Security fund for the unorganized sector. So, this is a new we can say that a new fund and a new board of trustees National Social Security fund for the unorganized sector and the central government appoints the Social Security Board members for the unorganized workers.

So, this particular fund is exclusively for this board and is for the unorganized sector. And in National Security Board the Union Ministry of Labour and Employment is the chairperson and the Vice Chairperson is the Secretary of the ministry. Thus, this particular fund, the Social Security fund is directly under the Ministry of Labour and Employment, because the minister himself is the chairperson and the secretary is the Vice Chairperson.

(Refer Slide Time: 11:38)

- 
- c) 40 members to be nominated by the Central government, out of which:
 - i. 7 members representing unorganized sector workers
 - ii. 7 members representing employers of unorganized sector
 - iii. 7 members representing eminent persons from civil society
 - iv. 2 members representing the Lok Sabha and 1 from the Rajya Sabha
 - v. 10 members representing Central government Ministries and Department concerned
 - vi. 5 members representing State governments
 - vii. 1 member representing the Union territories
 - d) The Director General Labour Welfare - Member Secretary, ex

And 40 members, there is a larger committee are included in the Social Security Board. So 7 members represent the unorganized sector workers and 7 members represent employees of the unorganized sector and 7 members are from civil society. So, we can see that this is the only board where civil society organizations are included.

So the members from the civil society included, members from Rajya Sabha and 2 from Lok Sabha and 1 from Rajya Sabha, 3 members are included and 10 members represent central government ministries and other departments. So, this is very interesting. So 10 members from other ministries are included in the implementation of this particular social security fund or administer the Social Security fund or to the Social Security run the Social Security Board or organization.

So, the Director General of labour welfare, who is a member secretary, will act as a member secretary or as an ex officio member. So, here that is why I said the one Social Security fund, the chairs, the minister chairs, the board and the secretary is the Vice Chairperson, and then there is a large number of people 40 numbers are included in this particular board.

(Refer Slide Time: 13:08)

- **Educational Qualification** – Except Chairperson, all other members shall be from amongst persons of eminence in the fields of Labour welfare, management, finance, law and administration – u/s. 6(3)
- **Procedure for Discharge of functions** – The procedure for nominating of members, terms and conditions of service, manner of filling of vacancies among members and the procedure for discharging of their function, shall be performed according to the prescribed manner as notified by the Central government

PROVIDED – Persons belonging from SC, ST, minorities and women shall be given adequate representation – u/s. 6(4)

And so you can see that the educational qualification and other things, which are provided and there will be no more about the qualifications of appointment and appointment procedures and vacancy filling will come out with the passing of the rules and more importantly, so there is a special provision.

So, it says that the persons belonging to Scheduled Caste and Scheduled Tribes minorities and women shall be given adequate representation. So, this provision very clearly says that adequate provision must be given to the representation of Scheduled Castes and Scheduled Tribes and also for the women members in this particular board.

(Refer Slide Time: 13:55)

- **Term of NSSB** – 3 Years – u/s. 6(5)
- **Meeting of NSSB** – The NSSB meet at least thrice a year. The place, time, and rules of procedure relating to the transaction of meeting business is done according to the prescribed procedure, specified by the Central government – u/s. 6(6)
- **Functions of NSSB** – It performs the following functions – u/s. 6(7)
 - a) To recommend the Central government for formulating suitable schemes for different sections that include –
 - i. Unorganized worker
 - ii. Gig workers

- b) To advise the government on matters arising out of the administration of this Code as referred to it
- c) To monitor social welfare schemes for unorganized workers, gig workers and platform workers as administered by the Central government
- d) To review the record that keeping functions performed at State level
- e) To review the expenditure from the fund and account
- f) To undertake such other functions that are assigned to it by the Central government

And the term of the National Security Bodies is 3 years for a meeting. The function of the National Security Board is to recommend the central government formulate suitable schemes. So, they advise the central government specifically for within the unorganized sector Class, gig workers, and platform workers.

So even though they are also within the class of unorganized workers, there must be specific schemes should be for the gig workers and the platform workers who are included very recently and also any other matter and the most this the Social Security Board is going to advise the central government on the implementation of various welfare schemes of the central government in the unorganized sector.

So, and also we can say that the functions the central government can entrust any functions from time to time to this particular Social Security Board of India.

(Refer Slide Time: 15:07)

➤ **Constitution of Advisory Committee –**

The **Central Government** may **constitute one or more Advisory Committee**, to **advise the Central government on those matters arising out of the administration of this Code**, that related to:

- a) Unorganized workers
- b) Other matters that Central government may refer for advice – u/s. 6(8)

❑ **State Unorganized Workers' Social Security Board**



And as I told you that the central government also must constitute advisory committees for the administration of the Indian code. So, unorganized workers or any other matters related to the government. You already said that the unorganized Workers Act, the earlier Act was repealed and included provisions with regard to Special Provisions concerning unorganized sectors.

So, the Social Security Board is specifically for the unorganized sector, but, the states are not always focused Social Security Board also now, they have to every state has to organize this state's unorganized workers Social Security Board and it is a mandate under the central law. So, every state government have to implement this particular provision.

(Refer Slide Time: 16:07)

➤ **Sec. 2(81): Definition** – “State Unorganized Workers’ Social Security Board” refers to “State Unorganized Workers’ Board” that constitutes u/s. 6(9)

➤ **Constitution – u/s. 6(9)** – Every State government, through notification, constitute a State Board for Unorganized workers and named as-

(name of that State) Unorganized Workers’ Social Security Board

To exercise the power and perform the assigned function, under this Code, prescribed by the State government

State unorganized workers, social security boards, state boards. So, now, it is mandatory for every whether you have a law or no law under the Central Act, the state governments to organize the state unorganized workers Self Security Board. So, every state government through a notification constitute this particular board for the unorganized sectors.

So, the powers and functions under the code will be now prescribed by the state government through rulemaking. So, the rules all the state governments have to make rules for the appointment and also the service conditions and qualifications of this particular member of the particular board.

(Refer Slide Time: 16:51)

➤ **Composition – u/s. 6(10)** – Every State Unorganized Workers’ Board consists of the following members:

- a) Chairperson – Minister of Labour and Employment of the concerned State, *ex officio*
- b) Vice – President – Principal Secretary or Secretary (Labour)
- c) 1 member representing the Central government in the Ministry of Labour and Employment

- d) 31 members to be nominated by the State government, out of whom –
 - i. 7 representing the unorganized workers
 - ii. 7 representing employers of unorganized workers
 - iii. 2 members representing the Legislative Assembly of that State
 - iv. 5 members representing eminent persons from civil society
 - v. 10 members representing concerned State government departments
- e) Member Secretary as mentioned by the State government

And this board consists of the chairperson, again the Minister of Labour and Welfare is going to be the chairperson and the principal secretary or secretary to labour is going to be the vice president and one member representing the central government in the State Boards representing the Ministry of Labour and Employment state boards also and then another 31 members to be nominated by the state government.

So, the State Board is a bigger one. So, 7 represent the unorganized workers, 7 are the workers' employees of unorganized workers, and 2 members represent the Legislative Assembly. 5 members are from civil society organizations.

And 10 members from different departments and a member Secretary as prescribed by the state government. So, the state boards and central boards are going to be elaborate, there it is 40 members in the central board and 31 members in the state boards. So, these are going to be larger boards.

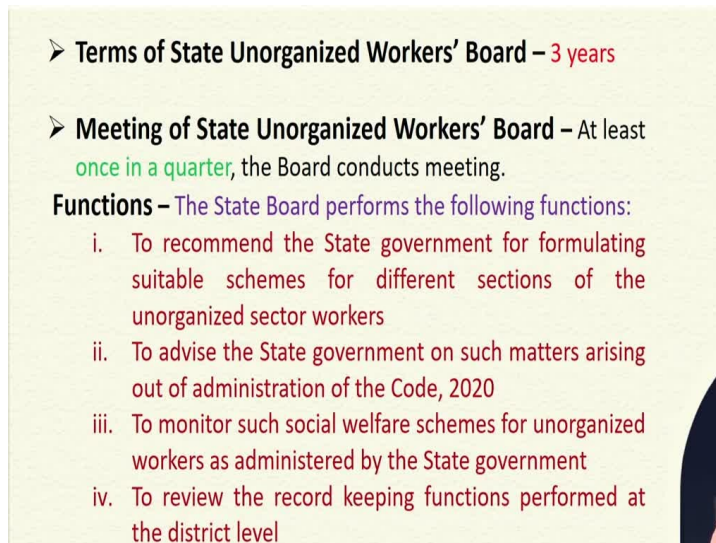
(Refer Slide Time: 18:18)

- **Education Qualification** – u/s. 6(11) – **Except Chairperson**, all other members of the State Unorganized Workers' Board, shall belong from the fields of:
 - i. Labour Welfare;
 - ii. Management;
 - iii. Finance;
 - iv. Law; and
 - v. Administration
- **Nomination Procedure** – The **nomination of 31 members** mentioned u/s. 6(10)(d), its terms of office and other conditions of service of members, the procedure for discharging their functions and manner of filling vacancies, **is done according to the concerned State government's prescribed manner** – u/s. 6(12)
- **PROVIDED** – **Members of SC/STs/ Women/ Minority shall be represented adequately**

And I think it is very interesting to note that the members of the State Boards are prescribed the qualification for the members that are prescribed in the Central Act. So, those who are from the field of labour, welfare, management, finance, law, and administration can be nominated under this particular word. So, we can see these nominations are 31 members to be nominated by the state governments.

Again, the preferences should be given to the members of the Scheduled Castes and Scheduled Tribes and women and minorities so represented adequately. So, when you are appointing these 31 members, so special mention or special preference is to be given for the scheduled caste and scheduled tribe and women minority members in the representation, their representation in the state boards.

(Refer Slide Time: 19:14)



- **Terms of State Unorganized Workers' Board – 3 years**
- **Meeting of State Unorganized Workers' Board –** At least **once in a quarter**, the Board conducts meeting.
- Functions –** The State Board performs the following functions:
 - i. To recommend the State government for formulating suitable schemes for different sections of the unorganized sector workers
 - ii. To advise the State government on such matters arising out of administration of the Code, 2020
 - iii. To monitor such social welfare schemes for unorganized workers as administered by the State government
 - iv. To review the record keeping functions performed at the district level

And the term is the same as about 3 years and the meetings should be prescribed once a quarter. So, once in a quarter, the meetings to be held by the State Boards and the State Board functions are prescribed they are to recommend the state government for formulating suitable schemes for different sections of the unorganized sector.

But even though the provisions clearly say that this is the board's duty, but where the budgetary allocations will come from or not? Nobody knows whether the central government is going to allot money for these particular schemes nobody knows because already there are Center schemes So, the central Law is that the state governments organize the state boards as well.

And so the Social Security, this monitoring of Social Security in the unorganized workers to be administered by the state government to be monitored by this particular board, and also record keeping and record keeping and functions are also to be performed by this particular board.

(Refer Slide Time: 20:26)

- V. To review the progress of registration and issue of cards to unorganized sector workers
- VI. To review the expenditure from the funds under various schemes, and
- VII. To undertake such other functions that are assigned by the State government from time to time

➤ **Constitution of Advisory Committee** – The State government, with regard to unorganized workers, constitutes one or more Advisory Committee to advise the State government on those matters, arising out of administration of the Code, 2020 – u/s. 6(16)

And then also you can see issuing registration cards to the workers and also the funds, various schemes and funds and also any other scheme prescribed by the state governments. So, it is the duty of the state governments to appoint advisory committees. So, advisory committees are also to be appointed by the state government under this particular law.

(Refer Slide Time: 20:56)

❑ **State Building Workers' Welfare Boards**



And so it is most important that State Governments Building Workers' Welfare Boards, as I already said that some state governments have already the State Building Workers' Welfare Boards, but most of the states, they did not have the State Building Workers' Welfare Boards, now, it is mandatory for them also to constitute every state to constitute the building workers, welfare boards.

(Refer Slide Time: 21:28)

□ **Sec. 7: State Building Workers' Welfare Boards**

➤ **Constitution** – Every State government may constitute a Board in the name of:

(name of the State) Building and Other Construction Workers' Welfare Board

To exercise the powers and functions assigned under the Code, 2020

➤ **Corporate** – The Building Workers' Welfare Board is a body corporate, having perpetual succession and common seal, so that it will sue and be sued – u/s. 7(2)

This State Building Worker's Welfare Board also has to be constituted by the state governments. So is again, these particular welfare bodies also independent, they have perpetual succession, it is a body corporate, having perpetual succession and a common seal and so can sue and be sued. So, this is a complete personality is with the State Building Workers Welfare Boards.

(Refer Slide Time: 21:52)

➤ **Composition** – u/s. 7(3) – The Building Workers' Welfare Board consist of:

- a) Chairperson – nominated by the State government
- b) 1 member to be nominated by the Central government
- c) Other members - Maximum 15, to be appointed by the State government

PROVIDED – The Board should have an equal number of members representing:

- i. State government
- ii. Employers
- iii. The Building workers
- iv. 1 member should be woman

So, here composition we can see that the chairperson has to be nominated by the state government and one member to be nominated by the central government and another maximum of 15 members to be appointed by the State governments and there must be a

representation from state government employees, building workers and one member should be a woman. So, there will say the women categorization which is clearly mentioned.

(Refer Slide Time: 22:24)

➤ **Functions** – u/s. 7(6) – The Building Workers' Welfare Board performs the following functions –

- a) To provide death and disability benefits to a beneficiary or his dependants
- b) To release pension to a beneficiary after completion of 60 years
- c) To pay in connection of premium for Group Insurance Scheme in the prescribed manner by the appropriate government
- d) To frame education schemes for the benefit of children of the beneficiaries- prescribed by the appropriate government
- e) To meet medical expenses for treatment of major

- f) To make payment of maternity benefit to the beneficiary
- g) To frame skill development and awareness schemes for the beneficiary
- h) To provide transit accommodation or hostel facility to the beneficiary
- i) To formulate other welfare scheme for the building worker beneficiary by the State Government in concurrence with the Central Government, and
- j) To make provision and improvement of welfare measures and facilities as prescribed by the Central Government

And the Building Workers Welfare Board perform so many functions. So, the State Welfare Board provides death and disability benefits to a beneficiary or his dependents, death and disability and release of pension to the beneficiary after completion of 60 years. So, building workers get a pension. So, it is to be dispersed by the more or dispersed by this particular Welfare Board.

And also the pension which we mentioned about and also to provide group insurance to the complete set of people and also educational schemes for benefit of children of the

beneficiaries, and then to meet the medical expense for treatment for the major ailment of the beneficiary or such other dependents.

So, medical expenses for treatment also is to be provided by the particular board. So, now, it is going to be new boards, the building workers' board. So, the new boards will be reconstituted and the government is going to take care of this.

(Refer Slide Time: 23:36)

➤ **Constitution of Advisory Committee** – The State government constitutes one or more Advisory Committee to advise the State government on the matters arising out of the administration of this Code, with respect to building workers and such other matters, which the State government refers it for advice – u/s. 7(7)

An Advisory Committee also has to be there. So, the state government has to appoint one or more Advisory Committees to advise the state government again says on matters arising out of the administration of this code with respect to building workers and other means, So, it means that the state government should constitute the boards, the state governors should constitute these advisory boards as well, basically committees as well.

(Refer Slide Time: 24:18)

➤ **Disqualification of the member according to the opinion of Central or State government – u/s. 8(4)**

In the following cases, **the appropriate government** can **disqualify the member of SSO/ Committee**:

- a) **Member ceases to adequately represent employers or employees or unorganized workers**
- b) **Member, at later stage, found not to possess sufficient expertise in a specified area**
- c) **Considering the exigencies of circumstances or services in such government, the member cannot continue to represent same government**

PROVIDED – No member shall be disqualified unless he has been

So, in this particular resource, you can see the disqualifications to be appointed to this particular board. So, you can see that the member ceases to adequately represent employees or employees or unorganized workers are disqualified. So, and also the members at a later stage were found not to possess sufficient expertise in this specific area.

So the members should be sufficient expertise in the area, area of management, area of commerce, area of law, and area of other social benefits. So and also so the person should be heard before taking any action system under this disqualification process.

(Refer Slide Time: 25:03)

➤ **Disqualification of member of SSO having pecuniary interest – u/s. 8(5) – Director of a company – member of SSO, having pecuniary interest in any of the matter of SSO, he shall immediately disclose the same to appropriate government.**

Thereafter, he shall not be the member of SSO for that particular SSO's matter, in whatsoever manner

❑ Sec. 10 – Executive Heads of Central Board and Corporation

➤ Executive Heads: Whole – Time Officer:-

- i. Central Provident Fund Commissioner – Central Board
- ii. Director General – Corporation

These officer shall not undertake any other work that is not connected to his office, without the prior approval of the Central government

And disqualification, we will see that if anybody has directors of any company have a pecuniary interest in the corporations, they cannot be appointed as members. So, in the matter, as I told you that if any members have any pecuniary interest, they should not become versed in these particular boards.

And also we can see that Central Government should appoint, the Central Provident Fund Commissioner and Director General of ESI Corporation as executive heads. So, these offices, so we not only connected to their offices, they are appointed, and prior approval of the central government is required. So, these executive heads run these particular.

(Refer Slide Time: 26:02)

➤ Submission of Report to Parliament/ State Legislative

Assembly – u/s. 11(3) – The appropriate government shall submit a full report to Parliament or State Legislative Assembly, as the case may be, with regard to:-

- i. The action was taken by such government u/s. 11;
- ii. Reasons for taking such action

This procedure shall be completed at the earliest opportunity and maximum within 3 months from the date of notification of supersession has been issued

❑ **S. 12: Constitution of State Board, Regional Boards, Local Committees, etc.**

- **Constitution** – u/s. 12(1)(i) – After consulting with the State Government, the Central government constitutes Board of Trustees (State Board) for that State.

This Board shall exercise powers and perform functions according to the prescribed manner notified by the Central government

- **Procedure for Appointment** – u/s. 12(1)(ii) – The terms and conditions for appointment of members, the procedure for meetings, and manner of constitution of State Board, shall be notified by the Central government

And also we can see that every year they should submit a report to the Parliament or to the particular legislative committees, the state boards will submit it to the state legislative boards and the central board, as well as the committee, will submit a report to the central government or report to the parliament.

So, if anything is any action is taken that also will be reported. And this we can say that the notification will be issued within 3 months. So, submission of the report to the Parliament or legislative assembly is mandatory. And when you have constituted this particular board, the central constitutes Board of Trustees for that particular state.

So, after consulting with the state government, the central government constitutes the Board of Trustees for this particular board of these that particular state. So, the terms and conditions of appointment and procedures, meetings and other manner of constitution of this particular board shall be notified publicly by the central government from time to time.

(Refer Slide Time: 27:14)

➤ **Appointment of Regional Boards and Local Committees –**
u/s. 12(2) – The Corporation can appoint, by order Regional Boards and Local Committees of a particular area.

The procedure for performing such functions and exercising such powers, it shall be done according to the specified regulations of the Corporations

And also the regional boards, we talked about these central boards, we talked about the state boards. So, the regional boards also can be constituted by the corporation, ESI Corporation or by the regional boards and local committees of the particular area and also the particular performance of the functions and also the workings of the functions to be managed by these particular boards of these particular corporations.

(Refer Slide Time: 27:45)

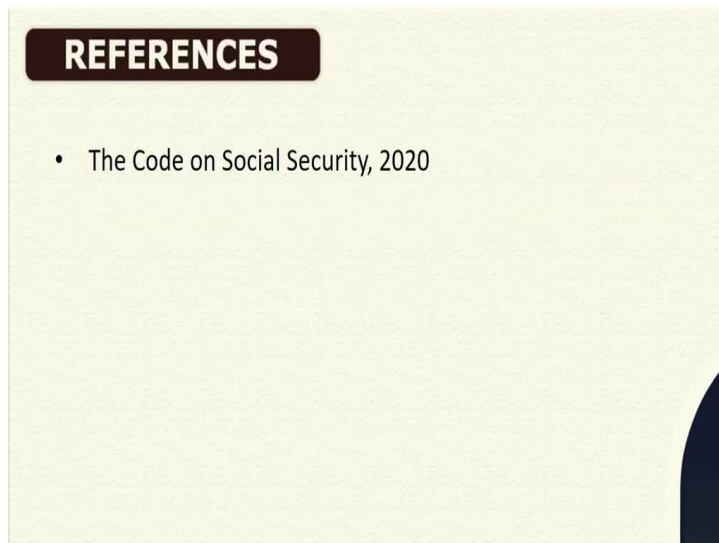
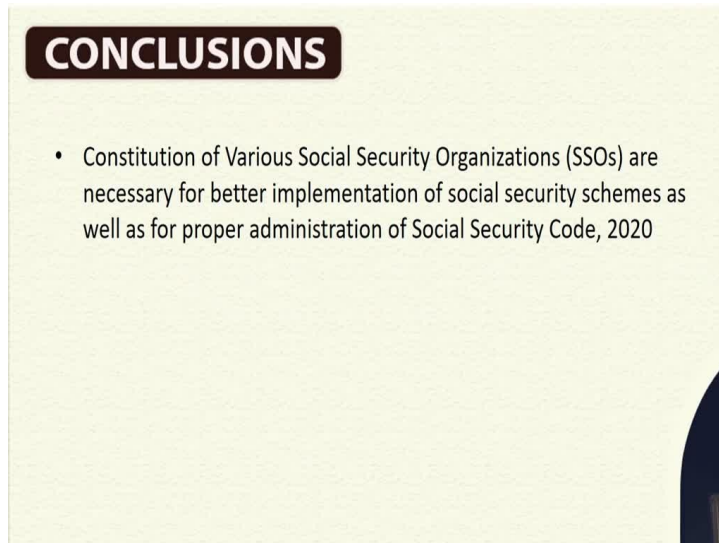
□ **S. 13: Entrustment of additional functions to SSOs**

The Central government through notification:-

- Assign additional function to SSO, with regard to:
 - a) Administration of any other Act;
 - b) Scheme relating to social security, subject to the provision, specified in the notification

Then entrustment has additional functions for social security organizations. So, any other administration of that also can be given to this particular board. So, Social Security is the prime objective, but they can central government can notify any other legislation also for taking care.

(Refer Slide Time: 28:05)



So, in conclusion, we can see that the Social Security organizers have specific provisions with regard to Provident Fund concerning ESI, with regard to social security and other boards and corresponding, for example, construction workers boards, corresponding state boards have to be constituted by their respective governments, so central and state for state governments.

So, as I told you, that was state government is responsible for taking care of the matters of this particular social security organization in the state board, the state government in the central, and the central government is responsible to run these particular boards and nomination and appointment of persons. So, the social security organizations clearly mention

and provide elaborate provisions on the constitution of social security organizations. Thank you.