

**DETAILS OF SCHEME FOR EMPLOYERS EMPLOYING
PERSONS WITH DISABILITIES→**

No. 2-4/2007-DDIII (Vol. II)

GOVERNMENT OF INDIA

**MINISTRY OF SOCIAL JUSTICE & EMPOWERMENT
(Disabilities Division)**

Shastri Bhavan, New Delhi,
Dated the 26th February, 2008

To

1. The Secretaries of all Ministries/ Departments of Government of India
2. The Chief Secretaries of all States/Union Territories
3. The Secretary in charge of Disability Matters/The Secretary (Industry) of all States/Union Territories
4. The State Commissioners for Persons with Disabilities of all States/Union Territories
5. The National Institutions and all other Organisations under the Ministry of Social Justice & Empowerment
6. The District Disability Rehabilitation Centres (DDRCs) under the Ministry of Social Justice & Empowerment
7. The Secretary General, PHD Chamber of Commerce & Industry, PHD House, 4/2 Siri Industrial Area, August Kranti Marg, New Delhi.
8. The Secretary General, ASSOCHAM, 1, Community Centre, Zamrudpur, Kailash Colony, New Delhi.
9. The Director General, CII, The Mantosh Sondhi Centre, 23, Institutional Area, Lodhi Road, New Delhi.
10. The Secretary General, FICCI, Federation House, Tansen Marg, New Delhi.
11. All Non-governmental Organisations (NGOs) working in the Disability Sector

Subject: - Incentives to employers in the private sector for providing employment to the persons with disabilities - Regarding.

Sir/Madam,

I am directed to say that the most important aspect of rehabilitation of persons with disabilities is their economic rehabilitation, which can be achieved by providing employment or through self-employment. Government has been promoting the self-

employment of persons with disabilities by providing vocational training and loan on concessional rates through National Handicapped Finance and Development Corporation (NHFDC). Employment of persons with disabilities in the Government is promoted through reservation. Section 33 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 provides for a reservation of 3% in the vacancies in identified posts (1% each for persons with blindness or low vision, hearing impairment and locomotor disability or cerebral palsy) in the Government establishments including the Public Sector Undertakings. To promote employment of persons with disabilities in the expanding private sector, it has been decided that incentives be provided to the private sector employers.

2. Section 41 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 provides for incentives to employers to ensure that at least five percent of their work force was composed of persons with disabilities. The National Policy for Persons with Disabilities, which was adopted in 2006 also lays down that pro-active measures will be taken to provide incentives, awards, tax exemptions etc. to encourage employment of persons with disabilities in private sector. Accordingly, Finance Minister in his Budget Speech had announced a Scheme for employment of physically challenged in the organised sector.

3. After consideration, the Government has approved the enclosed scheme of providing incentives to the employers in the private sector. Under the scheme, the employees with disabilities covered under the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 and the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 and working in the private sector, with monthly wage up to Rs.25000/- per month would be covered. The scheme would be applicable to all the employees with disabilities, who are appointed on or after 1.4.2008.

4. It is requested that the above scheme may please be brought to the notice of all concerned including the State Chambers of Commerce & Industry, District Industry Centres, Employment Exchanges, Special Employment Exchanges, Vocational Training Centres etc. so that persons with all types of disabilities get opportunity for employment in the private sector.

5. The problems faced, if any, in implementation of the scheme may be brought to the notice of Shri Ashish Kumar, Deputy Director

General, Ministry of Social Justice & Empowerment, Room No. 610, 'A' Wing, Shastri Bhawan, New Delhi – 110001 [Phone No. 23383853 (O) and e-mail: kmashish@nic.in].

6. This issues with the concurrence of Integrated Finance Division vide their ID No. 3118/DS(F) dated 25.2.2008.

Yours faithfully,
sd/-
(R. K. Maggo)
Under Secretary

Copy to: -

1. The Secretary, Ministry of Labour & Employment, Sharam Shakti Bhawan, New Delhi with the request of bringing the scheme to the notice of all concerned and to make amendments in the Employees Provident Fund and Employees State Insurance Schemes/Rules etc. so that the scheme as approved by the Government could be implemented as indicated above. In this regard letters No. R-11011/1/07-SSII dated 16th January, 2008 and No.S-38025/2/2007-SSI dated 28th January, 2008 may please be referred to.
2. The Secretary (Expenditure), Ministry of Finance, Department of Expenditure, North Block, New Delhi.
3. The Secretary, Planning Commission, Yojana Bhawan, New Delhi.
4. The Secretary, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi with the request of bringing the scheme to the notice of all concerned.
5. The Joint Secretary, Prime Minister's Office, South Block, New Delhi –110011.
6. The Joint Secretary & Financial Adviser, Ministry of Social Justice & Empowerment, Shastri Bhawan, New Delhi.
7. The Planning Commission, Social Justice Division, Yojana Bhawan, New Delhi.
8. The Planning Commission, PMD Division, Yojana Bhawan, New Delhi.
9. The Central Provident Fund Commissioner, Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi – 110066 for further necessary action.
10. The Director General, ESIC, Panchdeep Bhawan, CIG Road, Near Bal Bhawan, New Delhi – 110002 for further necessary action.

11. Integrated Finance Division, Shastri Bhawan, New Delhi with the request for opening a new sub-head in the Demands for Grants for making budget provision for the scheme as also for making publicity of the scheme.

Copy also to: -

1. PPS to Secretary (SJ&E)
2. PPS to AS (SJ&E)
3. PS to DDG.

sd/-
(R. K. Maggo)
Under Secretary

SCHEME FOR PROVIDING EMPLOYMENT TO PERSONS WITH DISABILITIES IN THE PRIVATE SECTOR

The scheme of giving incentives to employers, for providing employment to persons with disabilities in the private sector, as approved by the Government would be as under: -

- (i) Total Outlay : Rs.1800 crore for the 11th Five Year Plan
- (ii) Sector covered : Private Sector
- (iii) Jobs to be created : 1 lakh per annum
- (iv) Salary limit : Employees with disabilities, with monthly wage up to Rs.25000/- per month, working in the private sector would be covered.
- (v) Incentives : Payment by Government of the employer's contribution to the Employees Provident Fund and Employees State Insurance for the first three years. The administrative charges of 1.1% of the wages of the employees covered under the Employees Provident Fund & Miscellaneous Provisions (EPF&MP) Act will continue to be paid by the employer.

2. Conditions: -

A. The scheme will be applicable to the employees with disabilities:-

(i) Covered under the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 and the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999.

(ii) In the private sector all over India on enrolment of the employees in Employees Provident Fund (EPF) and the Employees State Insurance (ESI), under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 respectively. In the State of Jammu and Kashmir, the employees would be registered in EPF under the J&K Employee Provident Fund and Miscellaneous Provision Act, 1961.

(iii) Appointed on or after 1.4.2008.

B. The employers would submit a copy of the disability certificate, issued to the disabled employee by the Competent Authority under the

Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 and the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Rules, 1996, first time when such benefit under EPF and ESI is claimed.

C. The Government will directly provide employer's contribution for the schemes covered under the Employees Provident Fund & Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948. This will be done in respect of employees for a maximum period of three years. The administrative charges of 1.1% of the wages of the employees covered under the EPF Act will continue to be paid by the respective employers.

3. The Ministry of Social Justice & Empowerment would make available to the Employees Provident Fund Organisation and Employees State Insurance Corporation lump sum funds by way of advance. These would be used for the purposes of adjustment of individual claims received from the employers under the scheme. The amount with the organizations would be replenished periodically. Initially both the organisations would be provided Rs. 5 crore each and considering the requirement, the amount would be subsequently enhanced. The advance amount would be subject to quarterly review by the high level committee to be set up.

4. To monitor the implementation of the scheme, a high level Committee Co-chaired by the Ministries of Labour & Employment and Social Justice & Empowerment would be constituted. The composition of the Committee will be as follows:

- (a) Secretary, Ministry of Labour and Employment - Chairman
- (b) Secretary, Ministry of Social Justice and Empowerment- Co-Chairman
- (c) Joint Secretary, M/Labour & Employment - Member
- (d) Chief Provident Fund Commissioner of Employees Provident Fund Organization - Member
- (e) Commissioner, Employees State Insurance Corporation- Member
- (f) Joint Secretaries & Financial Advisors from the Ministries of Social Justice & Empowerment and Labour & Employment- Member.
- (g) Joint Secretary level officer in Ministry of Social Justice & Empowerment - Member Secretary.

5. The Committee would meet periodically, as per requirement, with a minimum sitting of once in a quarter and consider various issues necessary for the smooth functioning of the scheme.

NOTIFICATION

Published in the Gazette of India,(Extraordinary) Part II, Section 3, Sub-Section (i) dated March 31st, 2008.

G.S.R. 254 (E), - WHEREAS certain draft rules further to amend the Employees' State Insurance (Central) Rules, 1950, were published as required under sub-section (1) of section 95 of the Employees' State Insurance Act, 1948 (34 of 1948), in the notification of the Government of India, in the Ministry of Labour and Employment *vide* Number, GSR 86(E), dated the 14th February, 2008, in the Gazette of India, Extraordinary, Part II, Section 3 sub-section (i) inviting objections and suggestions from all persons likely to be affected thereby within a period of forty-five days from the date on which the copies of the Gazette of India, in which the said notification was published, were made available to the public;

AND WHEREAS, the copies of the said Gazette were made available to the public on 14th February, 2008;

AND WHEREAS, no objections and suggestions have been received in respect of proposed draft rules.

NOW, THEREFORE, in exercise of the powers conferred by section 95 of the Employees State Insurance Act, 1948, (34 of 1948) the Central Government, after consultation with the Employees' State Insurance Corporation, hereby makes the following rules further to amend the Employees' State Insurance (Central) Rules, 1950, namely:-

1. Short title and commencement.- (1) These rules may be called the Employees' State Insurance (Central)(Amendment) Rules, 2008.
(2) They shall come into force with effect from 1st April, 2008.
2. Amendment of rule 50.- In the Employees' State Insurance (Central) Rules, 1950,-(hereinafter referred to as the said rules), in rule 50, after the proviso, the following proviso shall be inserted, namely,-

"Provided further that the wage limit for coverage of an employee who is a person with disability under the Persons with Disabilities (Equal Opportunities Protection of Rights and Full Participation) Act, 1995 (1 of 1996), and under the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (44 of 1999) respectively, shall be twenty-five thousand rupees a month."

3. New rule 51A,-

After rule 51 of the said rules, the following rule shall be inserted, namely:-

"51-(A). (1) Employer's contributions in respect of certain employees.- (1) In respect of an employee who is a person with disability under the Persons with Disabilities (Equal Protection of Rights and Full Participation) Act, 1995 (1 of 1996), and under the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (44 of 1999), the employer shall not be required to pay employer's share of contribution upto a maximum period of three years from the date of commencement of the contribution period.

(2) The employer's share of contribution in respect of such employees and for such period under sub-section (1) shall be reimbursed to the Corporation by the Central Government.";

4. Amendment of rule 54.- In rule 54 of the said rules,-
- (i) in the TABLE, against serial number 42, for the abbreviation, figures and words "Rs.380 and above", the abbreviation, figures and words "Rs.380 and above but below Rs.390" shall be substituted;
- (ii) after serial number 42 and the entries relating thereto, the following serial numbers and entries shall be inserted, namely,-

"43.	Rs.390 and above but below Rs.400	200
44.	Rs.400 and above but below Rs.410	205
45.	Rs.410 and above but below Rs.420	210
46.	Rs.420 and above but below Rs.430	215
47.	Rs.430 and above but below Rs.440	220
48.	Rs.440 and above but below Rs.450	225
49.	Rs.450 and above but below Rs.460	230
50.	Rs.460 and above but below	235

	Rs.470	
51.	Rs.470 and above but below Rs.480	240
52.	Rs.480 and above but below Rs.490	245
53.	Rs.490 and above but below Rs.500	250
54.	Rs.500 and above but below Rs.510	255
55.	Rs.510 and above but below Rs.520	260
56.	Rs.520 and above but below Rs.530	265
57.	Rs.530 and above but below Rs.540	270

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58.	Rs.540 and above but below Rs.550	275
59.	Rs.550 and above but below Rs.560	280
60.	Rs.560 and above but below Rs.570	285
61.	Rs.570 and above but below Rs.580	290
62.	Rs.580 and above but below Rs.590	295
63.	Rs.590 and above but below Rs.600	300
64.	Rs.600 and above but below Rs.610	305
65.	Rs.610 and above but below Rs.620	310
66.	Rs.620 and above but below Rs.630	315
67.	Rs.630 and above but below Rs.640	320
68.	Rs.640 and above but below Rs.650	325
69.	Rs.650 and above but below Rs.660	330
70.	Rs.660 and above but below Rs.670	335
71.	Rs.670 and above but below Rs.680	340
72.	Rs.680 and above but below Rs.690	345
73.	Rs.690 and above but below Rs.700	350
74.	Rs.700 and above but below Rs.710	355
75.	Rs.710 and above but below Rs.720	360
76.	Rs.720 and above but below Rs.730	365
77.	Rs.730 and above but below Rs.740	370
78.	Rs.740 and above but below Rs.750	375
79.	Rs.750 and above but below Rs.760	380
80.	Rs.760 and above but below Rs.770	385
81.	Rs.770 and above but below Rs.780	390
82.	Rs.780 and above but below Rs.790	395
83.	Rs.790 and above but below Rs.800	400
84.	Rs.800 and above but below Rs.810	405
85.	Rs.810 and above but below Rs.820	410
86.	Rs.820 and above but below Rs.830	415
87.	Rs.830 and above but below Rs.840	420

88	Rs.840 and above but below Rs.850	425
89	Rs.850 and above but below Rs.860	430
90	Rs.860 and above but below Rs.870	435
91	Rs.870 and above but below Rs.880	440
92	Rs.880 and above but below Rs.890	445
93	Rs.890 and above but below Rs.900	450
94	Rs.900 and above but below Rs.910	455
95	Rs.910 and above but below Rs.920	460
96	Rs.920 and above but below Rs.930	465
97	Rs.930 and above but below Rs.940	470
98	Rs.940 and above but below Rs.950	475
99	Rs.950 and above	480"

(No.S-38025/2/2008-SS-I)

sd/- .

(S. K. Srivastava)

Joint Secretary to the Government of India

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FOOT NOTE:- The principal rules were published in the Gazette of India *vide* notification of the Government of India, in the Ministry of Labour number SRO 212, dated the 22nd June, 1950 and subsequently amended *vide* the following notifications:-

1. GSR No. 80 dated 9.1.1960
2. GSR No. 1200 dated 27.9.1960
3. GSR No. 594 dated 29.3.1963
4. GSR No. 240 dated 6.2.1964
5. GSR No. 1834 dated 18.12.1964
6. GSR No. 474 dated 19.3.1965
7. GSR No. 1082 dated 29.6.1966
8. GSR No. 545 dated 14.4.1967
9. GSR No. 500 dated 6.3.1968
10. GSR No. 677 dated 29.3.1968
11. GSR No. 1106 dated 22.5.1968
12. GSR No. 2113 dated 28.11.1968
13. GSR No. 306 dated 7.3.1974
14. GSR No. 1122 dated 1.10.1974
15. GSR No. 56 dated 23.12.1976
16. GSR No. 60 dated 5.1.1982
17. GSR No. 129 dated 9.2.1987
18. GSR No. 199 dated 6.3.1990

19. GSR No. 76 dated 22.1.1991
20. GSR No. 368 dated 27.3.1992
21. GSR No. 522 dated 16.11.1996
22. GSR No. 582 (E) dated 23.12.1996
23. GSR No. 225 dated 21.4.1997
24. GSR No. 226 dated 22.4.1997
25. GSR No. 185 dated 1.9.1998
26. GSR No. 129 dated 29.3.2000
27. GSR No. 210 dated 27.3.2001
28. GSR No. 28 dated 02.01.2004
29. GSR No. 172 (E) dated 4.3.2004
30. GSR No. 316 dated 18.9.2004
31. GSR No. 322(E) dated 17.05.2005
32. GSR No. 591(E) dated 22.09.2006
33. GSR No. 465(E) dated 04.07.2007
34. GSR No. 685(E) dated 31.10.2007

To

The Manager,
Govt. of India Press,
Mayapuri, Ring Road,
NEW DELHI.