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# E-Shram Scheme: Empowering Unorganized Workers with Essential Social Security

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#### ABSTRACT

The E-Shram scheme is an innovative initiative introduced by the Ministry of Labour and Employment aimed at empowering unorganized workers by providing vital social security. This scheme specifically caters to the significant population engaged in informal employment, including daily wage laborers, domestic workers, and vegetable vendors, who often face job insecurity and lack access to essential safety nets. By registering with E-Shram, these workers gain access to a comprehensive safety net that enhances their livelihoods and promotes their overall well-being in an increasingly dynamic economy. This initiative not only safeguards their interests but also nurtures a sense of dignity and stability in their lives. Despite its benefits, many unorganized workers remain unaware of the scheme, and it has not garnered sufficient attention from researchers. To address this gap, a study was conducted using a social action approach to raise awareness and facilitate registration for the E-Shram scheme. A total of 318 unorganized workers from various sectors were successfully registered and informed about the initiative. The participants expressed their satisfaction with the registration process and appreciated the support provided. The study also offered several suggestions for improving the E-Shram portal.

Keywords: Unorganised worker, Social Security, Registration, e-Shram, Empowerment

### 1. Introduction

The Ministry of Labour and Employment launched the e-Shram portal on August 26, 2021, to create a comprehensive National Database of Unorganised Workers (NDUW) linked to Aadhaar. This initiative emerged in response to the devastating impact of the COVID-19 pandemic and the unprecedented lockdown, which resulted in widespread job losses, reduced incomes, and hunger among unorganised workers. The e-Shram portal is designed to register and support unorganised workers by providing them with a Universal Account Number (UAN) based on self-declaration. This revolutionary initiative offers a safety net for workers in the unorganised sector. It serves as a comprehensive database that not only registers workers but also facilitates their access to various welfare schemes and benefits. As of March 3, 2025, over 30.68 crore unorganised workers have registered on the e-Shram portal, with more than half (53.68%) being female<sup>1</sup>.

The e-Shram portal is intended to register and assist unorganised workers by providing them with a Universal Account Number (UAN) based on self-declaration. This innovative initiative seeks to create a safety net for workers in the unorganised sector by functioning as a detailed database that not only registers individuals but also enables access to various welfare schemes and benefits. As of March 3, 2025, more than 30.68 crore unorganised workers have registered on the e-Shram portal, with over half (53.68%) identifying as female<sup>2</sup>.

The portal was established to deliver centralized social security benefits to eligible individuals through Direct Benefit Transfers (DBTs) for registered home-based, self-employed, and daily wage workers. The primary objective of the program is to develop a centralized database that encompasses construction workers, migrant workers, gig and platform workers, street vendors, domestic workers, and agricultural workers. This database will facilitate the implementation of social security services and the dissemination of information to various stakeholders for the effective delivery of welfare schemes.

Individuals aged between 16 and 59 years who do not pay income tax and engage in work within the unorganised sector may register as eligible beneficiaries on the portal. Upon registration, individuals are assigned a 12-digit Unique Account Number and an e-Shram card. It is essential that bank account details and a mobile number linked to the worker's Aadhaar card are provided for successful registration. Registered workers are entitled to an accident insurance cover of ₹2 lakh under the Pradhan Mantri Suraksha Bima Yojana. Features of the e-Shram Scheme are:

<sup>&</sup>lt;sup>1</sup> Press Release:Press Information Bureau

<sup>&</sup>lt;sup>2</sup> Press Release:Press Information Bureau

Universal Account Number (UAN): Registered workers are assigned a UAN linked to their Aadhaar, providing them with seamless access to various benefits.

Streamlined Registration Process: The portal simplifies the registration process, requiring only essential documentation such as Aadhaar and bank account details. Beneficiaries also have the option for easy self-registration.

Multilingual Support: Workers from various regions can access the portal in multiple Indian languages, fostering inclusivity.

Grievance Redressal Mechanism: A dedicated helpline and support system efficiently address workers' queries and concerns.

Integration with Employment and Skill Opportunities: Registered workers can connect with job opportunities, skilling programs, apprenticeships, pension schemes, digital skill training, and state-specific initiatives through the portal.

Family Information for Migrant Workers: The portal captures family details for migrant workers, facilitating access to educational opportunities for children and women-centric schemes for families who have migrated.

By consistently explaining the essential features of various social security schemes to unorganised workers, we effectively heightened their awareness of available resources. To deepen our understanding of the unique challenges faced by these workers, such as job insecurity, lack of access to benefits, and inadequate financial protection, we referenced comprehensive studies conducted by Patnukar et al. (2024), Barik et al. (2024), and Rajput and Ranjan (2023). These studies provided valuable insights into the socio-economic conditions of unorganised workers and underscored the urgent need for effective social safety nets. Moreover, to gain a thorough understanding of the e-Shram scheme, we meticulously examined the functionalities of the e-Shram portal as well as various government publications. This research allowed me to articulate the benefits of digital registration and how it can help unorganised workers access crucial support and services, thereby enhancing their overall welfare in the workforce.

#### 2. Methodology

The success of any social security reform is heavily reliant on the awareness and understanding of its intended beneficiaries. For workers in the unorganized sector, many of whom operate in fragmented and informal settings, awareness of the e-Shram scheme is essential for its effective implementation. If these workers are not informed about the benefits available to them or how to access these resources, the objectives of the scheme may remain unmet. Furthermore, factors such as literacy levels, geographic location, and economic conditions can affect workers' ability to engage with and benefit from these social security reforms. In response to this challenge, a study was undertaken utilizing a social action approach, with a focus on the Shankarpally mandal, as the researcher hails from this area. The researcher visited markets and worksites of unorganized workers in Shankarpally to promote awareness of the e-Shram scheme with his student team. Awareness programs were conducted and registrations were facilitated, and cards were distributed to the 318 unorganised workers. The feedback of the unorganised workers was gathered about the registration process.

#### 3. Results and Discussions

The notice contains information about the e-Shram scheme, provided in the Telugu language, and public announcements were made regarding the registration date for the scheme. After three days of registration, we successfully registered 318 workers. Our target was 500, but many potential registrants did not have their mobile numbers linked to their Aadhaar. Some were not aware of which mobile number was connected to their Aadhaar, and at times, the registration site experienced slow performance, which hindered the download of the e-Shram card. The self-registration process for the e-Shram card is outlined below:

- 1. Go to the e-Shram portal's self-registration page.
- 2. Enter your Aadhaar-linked mobile number, the captcha code, and click 'Send OTP.'
- 3. After receiving the OTP on your registered mobile number, enter it and click 'Validate.'
- 4. Confirm the personal details displayed on the screen.
- 5. Provide the necessary information, including your address and educational qualifications.
- 6. Choose your skill set and specify the nature of your business and type of work.
- 7. Enter your bank details and select the self-declaration option.
- 8. Click 'Preview' to review the information you entered, and then click 'Submit.'
- 9. You will receive another OTP; enter it and click 'Verify.'
- 10. Your e-Shram card will be generated and displayed on the screen.
- 11. Optionally, download the e-Shram card by clicking on the download button.

This registration process is simple and free of charge. The age and gender-wise details of the registered unorganized worker is presented below.

Table 1: Age of the respondents

Age group	Frequency	Percent
19 to 20 years	18	5.7
21 to 30 years	98	30.8
31 to 40 years	96	30.2
41 to 50 years	84	26.4
51 to 58 years	22	6.9
Total	318	100.0

The majority of individuals in this group are aged between 21 and 50. Due to widespread illiteracy and a lack of job opportunities in their hometowns, many have migrated to larger towns in search of work. They typically engage in available roles within the construction sector, government contracts, or daily wage positions. Unfortunately, there are no labor unions in place, and wage rates are often unregulated. Moreover, there is no guarantee of employment or safety at the workplace.

Table 2: Gender of the respondents

Gender	Frequency	Percent
Female	155	48.7
Male	163	51.3
Total	318	100.0

Nearly half of the workers in the labor market are women who are employed in the unregulated wage sector. They do not receive maternity benefits or leave. To supplement their family's income, they wait for job opportunities from 7 a.m. to 10 a.m. During peak season, they are able to find regular employment, but during the rainy season, it becomes difficult to secure jobs. Most of these workers have migrated from neighboring districts such as Mahabubnagar, Medak, and Vikarabad along with their family members. In contrast, only a few male workers have migrated from Karnataka and West Bengal because of the nature of the town.

Table 3: Occupation of the respondents

Occupation	Frequency	Percent
Construction worker	210	67
Auto Driver	13	4
Tailor	6	2
Helper	7	2
Vegetable, fruit, and flower vendors	26	7.5
Care taker	5	1.5
Other occupations	51	16
Total	318	100.0

The residents of Shankarpally Mandal are largely employed in the bustling construction sector, driven by the region's rapid urban development. Unfortunately, many of these workers find themselves in precarious positions as daily wage earners, rather than enjoying the stability of a regular salary. The working conditions are troubling; these laborers toil under harsh circumstances, often without any safety equipment or protective gear. Moreover, they lack essential insurance coverage for life-threatening incidents or accidents that could occur on site. Despite the daunting challenges they face daily, a glimmer of satisfaction shines through as many of them proudly hold their e-Shram cards, which symbolize a step toward recognition and support for their future life.

#### 4. Conclusion and Suggestions

The scheme serves as a benchmark initiative for the welfare of unorganized workers. The efforts of the Ministry of Labour and Employment are commendable. However, the government needs to organize awareness drives for e-Shram registration in every district on a regular basis to create a comprehensive database of unorganized workers, which can assist them in emergency situations. The registration portal should collect essential details regarding the socio-economic background of unorganized workers to facilitate further research. Currently, bank account details are not included in the e-Shram registrations. It is also important to provide nominee details along with their Aadhaar numbers. In the case of a claim, the card should specify whom to contact, including the authority's name and contact details. A commonly reported issue during registration is server errors, which need to be addressed to improve the registration process.

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