

# **EMPLOYEES' STATE INSURANCE ACT, 1948**

## ➤ **Applicability:-**

- a) All factories excluding seasonal factories employing 10 or more employees
- b) Shops & Commercial Establishments employing 20 or more coverable employees' (However in certain states it is applicable on 10 or more employees)
- c) Any Establishments which the Government may specifically notify as being covered.

The Act is applicable to all types of employees i.e. whether they are Monthly rated, Part-Time employees, daily rated or piece rated employees, casual, temporary, permanent or contractual employees.

## ➤ **Eligibility:-**

- a) Any person employed for gross wages up to Rs.15000/- p.m. excluding wages for overtime work in or in connection with the work of a Factory or Establishment.
- b) Any person who is classified as disabled employee and working in private sector, with monthly wages up to Rs.25000/- p.m.

## ➤ **Rate of contribution:-**

Employee's contribution @1.75% on gross salary / wages.

Employer's contribution @ 4.75% on gross salary / wages.

Total contribution @ 6.50% on gross salary / wages.

## ➤ **Due date of Payment:-**

The E.S.I. contribution of every month shall be deposited on or before 21<sup>st</sup> of every month.

## ➤ **Benefits:-**

### a) **Medical Benefit-**

- 1) It is available from the date of an entry of an employee in to an insurable employment so long as he remains in insurable employment and thereafter for certain additional period.
- 2) It covers full medical care including hospitalization to insured person as well as his/her family members as defined u/s 2(11) of the Act.

### b) **Cash benefit-**

- 1) If any insured person remains absent due to sickness for more than 3 days he/she can avail reimbursement of his loss of wages from ESIC @prescribed rate as per corresponding benefit period. The said benefit shall be available only after production of ESIC panel doctor's certificate.

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- Insured Person should work for wages for 78 no. of days in the corresponding contribution period.
- In a year insured person can avail cash benefit up to maximum 91 days as per standard benefits rate.

## ➤ **Extended sickness benefit:-**

- Extended sickness benefit is provided for specified long term diseases like T.B, Leprosy, Cancer, etc. the insured person is paid wages for a maximum 309 days duration. @40% above standard benefit rate.
- To avail the above benefit insured person must have work for at least two years in insurable employment.

## ➤ **Enhanced Sickness Benefits:-**

The above benefit is available to the insured person in the case of undergoing sterilization operation for Family Planning. In such case insured person is paid wages for 7 days for vasectomy and 14 days for tubectomy.

## ➤ **Accident Benefit:-**

Any accident occurred during the course of working hours the insured person/nominee is entitled for various accident benefits.

- a) Disablement benefit
- b) Permanent disablement benefit
- c) Dependant's benefit

## ➤ **Maternity Benefit:-**

- Insured lady is entitled for payment of Maternity Benefit for the period for 12 weeks.
- Insured lady is also entitled for payment of 6 weeks in the case of miscarriage or for medical termination of pregnancy.
- Additional payment for 1 month in the case of complications arising out of Pregnancy.
- Medical bonus of Rs.2500/- is payable where ESI hospital facility is not availed for child delivery.

## ➤ **Funeral Benefit:-**

The eldest surviving family member of the deceased insured person is entitled for not more than Rs.10,000/- as a actually incurred expenditure on the funeral of an insured persons.

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➤ **Rehabilitation Benefit:-**

The insured person is entitled for payment of wages for each day of which he remains admitted in Artificial Limb center for fixation, repair or replacement of artificial limb.

➤ **Medical Benefit to Retired Insured Person:-**

The insured person who is in insurable employment for a period of 5 years and above is entitled for medical benefit till the time he pays contribution @ 10 p.m. or Rs.120/- for 1 year in advance.

➤ **Rajiv Gandhi Shramik Kalyan Yojna:-**

Any insured persons unemployed due to closure of factory/establishment are entitled for payment of cash benefit till he remains unemployed.

➤ **Supply of Special AIDS:-**

Insured persons and members of their family are provided artificial limbs, hearing aids, artificial dentures and artificial appliances like spinal supports, cervical collars, walking calipers, crutches, wheel chairs and cardiac pace makers, dialysis with kidney transplant etc. as a part of medical care under the ESI Scheme.

➤ **Records to be maintained:-**

1. Muster Roll
2. Salary / Wages Register / Payroll
3. Accident Register
4. Inspection Book
5. Books of Accounts and Balance Sheet with relevant records
6. Various Forms / Returns prescribed under the Act

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