

IP

VIP

ESIC
Chinta Se Mukti



ESI Scheme

offers a host of advantages
to Employers



A Guide for Employers

ESI SCHEME-AN INTRODUCTION

The Employees' State Insurance Scheme is an integrated measure of Social Insurance embodied in the Employees' State Insurance Act and it is designed to accomplish the task of protecting 'employees' as defined in the Employees' State Insurance Act, 1948 against the impact of incidences of sickness, maternity, disablement and death due to employment injury and to provide medical care to insured persons and their families. The ESI Scheme applies to factories and other establishments viz. Road Transport, Hotels, Restaurants, Cinemas, Newspaper, Shop, Educational/Medical Institutions wherein 10 or more persons are employed. However, in some States threshold limit for coverage of establishments is still 20. Employees of the aforesaid categories of factories and establishments, drawing wages upto ₹ 15,000/- a month, are entitled to social security cover under the ESI Act.

The ESI Scheme is financed by contributions from employers and employees. The rate of contribution by employer is 4.75% of the wages payable to employees. The employees' contribution is at the rate of 1.75% of the wages payable to an employee. Employees, earning less than ₹100/- a day as daily wages, are exempted from payment of their share of contribution.

BENEFITS UNDER ESI SCHEME

- Sickness Benefit ● Disablement Benefit ● Dependants' Benefit
- Maternity Benefit ● Medical Benefit

Other benefits being provided to the beneficiaries are Confinement Expenses, Funeral Expenses, Vocational Rehabilitation, Physical Rehabilitation, Unemployment Allowance and Skill Upgradation Training.

ADVANTAGES TO EMPLOYERS

Employers who come under the purview of the ESI Act, 1948, derive the following benefits under the Scheme:-

- Employers are absolved of all their liabilities of providing medical facilities to employees and their dependants in kind or in the form of fixed cash allowance, reimbursement or actual expenses, lump sum grant or opting for any other medical insurance policy of limited scope, unless it is a contractual obligation of the employer.
- Employers are exempted from the applicability of the :
 - Maternity Benefit Act.
 - Employees' Compensation Act, in respect of employees covered under the ESI Scheme.
- Employers have, at their disposal, a productive, well secured workforce - an essential ingredient for better productivity.

- Employers are absolved of any responsibility in times of physical distress of workers such as sickness, employment injury or physical disablement resulting in loss of wages, as the responsibility of paying cash benefits shifts to the Corporation in respect of insured employees.
- Any sum paid by way of contribution under the ESI Act is deducted in computing 'income' under the Income Tax Act.
- Incentive Scheme for employers for persons with disabilities:

The Incentive Scheme for employers in private sector for providing employment to persons with disabilities has come into force w.e.f. 1.4.2008. Persons with disabilities employed on or after 1.4.2008 and drawing monthly wages upto ₹ 25,000/- are covered under the scheme. Employers are exempted from paying employer's share of contribution upto a maximum period of 3 years and the same is reimbursed to the Corporation by the Central Govt.

ROLE OF EMPLOYERS

- Get your factory/establishment registered within 15 days after the ESI Act becomes applicable. Apply online to the Regional Office/Sub-Regional Office (RO/SRO) of the ESIC for this purpose. Obtain Employer's Code No. for use in all ESIC Forms/documents and also for correspondence with various offices of the ESIC.
- Employers are advised to apply for coverage only through the ESIC web portal - 'www.esic.in'.
- After generation of 17 digit Employer's Code No., the requisite documents should be submitted to the RO/SRO.
- In case of Labour/Manpower supplying agencies, challan of advance contribution should be generated by the employers through the ESIC web portal, deposited in the bank and then documents may be submitted to the RO/SRO for issuance of 17 digit Employer's Code number.
- Pay ESI contributions (Employers' share @ 4.75% of the wages and employees' share @ 1.75% of the wages) within 21 days of the following month, in which the wages fall due.
- The employee Insurance Number, once given, is valid for the lifetime of an employee. He need not register himself again if he changes location or employment. The Insurance Number is a unique number, valid throughout the country.
- Employer must ensure that the employee does not have any previous Insurance Number before registering him as a new Insured Person. This is for the benefit of the employee.
- In case the employee has already contributed in a particular Insurance Number, the same number should be continued.
- Use of same Insurance Number will help to safeguard the medical history of the Insured Person for reference and referral.

- The employers themselves have been authorized to upload personal particulars of employees, including family members of such employees. Hence, change of name cannot be executed.
- Deletion of contribution once uploaded and challan once generated are not allowed.
- Transfer of contributions can be done to the Insurance Number which has a Pehchan Card enrolment. Such transfers would be done only if both IP names and IP Numbers are same and mapped to the same employer.
- Please ensure that all employees have completed biometric enrolment for issue of Pehchan Card.
- Employers should upload/update their particulars viz e-mail ID, Mobile Number & PIN Code of the area to the ESIC web portal 'www.esic.in'.
- Fill Form 01-A to the concerned authority by the 31st of January every year.
- Submit an 'Accident Report' to the Branch Office (BO)/ESI Dispensary concerned immediately in respect of accidents that could result in death or disablement of the employee within 24 hours of its occurrence. Minor accidents which do not cause absence from work need not be reported.
- Grant leave to insured employees on the basis of sickness certificates issued by any authorized ESI doctor.
- Ensure that Return of Contribution is generated in time by making regular payments.
- Furnish any requisite information promptly as and when asked for by the RO/SRO/BO/any other office of the Corporation/Scheme.
- Facilitate proper inspection of factory/establishment by any authorized officer of the Corporation and produce before him all relevant records on demand.
- Intimate the date of closure or shifting (temporary or permanent) of the factory/establishment to the RO/SRO/BO within seven days of its closure or shifting.
- Promptly report any change in the business activity, ownership of the concern or its management.
- Ascertain the liability towards ESI dues, while taking over the ownership of any factory/establishment by purchase, gift, lease or licence or in any other manner whatsoever as new owner is liable to discharge the past liabilities, if any.
- Maintain proper sanitation for a hygienic and healthy environment within the workplace and in residential quarters allotted to the insured persons.

WHAT TO DO WHEN

To ensure smooth flow of ESI Benefits to Insured Employees

- Online registration of employees may be done correctly and promptly on appointment, with all relevant information.
- Print out of Temporary Identification Certificate may be given to employees so that they can avail of ESI benefit.
- Ensure that employees complete the formalities for enrollment and issue of Pehchan Card, at the earliest.
- On receipt of Pehchan Cards from the BO, the same should be passed on to the insured employees without delay.
- In order to facilitate a newly Insured Person to avail medical benefit under the Scheme in absence of an identity certificate/identity card, a 'Certificate of Employment' may be issued to the Insured Person in Form-86. This certificate, issued by the employer, remains valid for 3 months but can be revalidated for a further period not exceeding 3 months.
- Whenever events, such as, marriage, birth or death entails any additions or deletions in the family particulars of an Insured Person, the requisite information may be uploaded in the ESIC web portal.
- On re-entry of a person into insurable employment or, where an Insured Person had been disentitled to medical benefit due to non-generation of Return of Contribution, the employer may issue a 'Certificate of re-employment' or 'continuing employment' to such person in Form ESIC-37. This certificate will enable the Insured Person to avail of medical benefit from the date of its issuance.
- If an insured employee needs a change of dispensary due to any valid reasons, the employer may change the dispensary from the drop down list in the ESIC web portal.
- Whenever an Insured Person goes out of station on duty or leave, he may be issued a certificate in Form ESIC 105. This will enable him and his family to avail of medical treatment in ESI Dispensaries/hospitals elsewhere, if available at such outstation locations.
- If any insured person is in need of a duplicate Pehchan Card, an application may be made to the Branch Office Manager in Form ESIC-72.
- Employers may assist or guide individual employees, for claiming any lawful benefit under the ESI Scheme, and also educate them properly about their rights and responsibilities under the Scheme.
- The usefulness of the ESI Scheme in the face of an untoward event resulting in loss of wages or earning capacity could be explained to the employees.
- For clarification of any doubt vis-à-vis your rights and responsibilities under the ESI Act, it is advisable to get in touch with a ESIC official rather than depend on advice from self-proclaimed consultants or any other unauthorized persons.

RIGHTS OF EMPLOYERS

- To be represented on ESI Corporation, Medical Benefit Council and other important committees of the Corporation that may be formed from time to time.
- To be supplied requisite Forms as may be required for fulfilling any obligation under the ESI Act.
- To recover employees share of contribution on the spot from the wages of insured person.
- To appeal to appellate authority of the ESI Corporation in case of dispute on the claim.
- To appeal to Employees' Insurance Court if not satisfied with the findings of Appellate Authority.
- Right to seek exemption from the applicability of the Scheme in case benefits provided by the management are similar or superior to those available under the ESI Scheme.
- Right of access to all essential information concerning the applicability of the Act, benefits, contribution, inspections and other procedures.

ROLE OF ESIC IN SERVING EMPLOYERS

- To develop a responsive, purposive and productive relationship with employers.
- Seek their active involvement in the improvement of the ESI Scheme.
- Provide them necessary guidance in fulfilling their lawful obligation under the ESI Act.
- Make available to them requisite Forms and Proforma as may be required by them from time to time.
- To ensure that any lax medical certification by IMOs/Panel Doctors does not bring down the productivity of a factory or establishment.
- To ensure that in case of any difficulty, doubt or misunderstanding, employer is given a chance to be heard at an appropriate level.
- To ensure that all correspondence emanating from the employer is responded to timely and objectively.
- To ensure that an employer is not being harassed by any official of the Corporation authorized to inspect the premises or the records of the employer.
- To ensure that any grievances received from employers are looked into promptly for speedy redressal.

SUVIDHA SAMAGAM

In order to deal with oral, written complaints/suggestions and grievances, Suvidha Samagam is being held regularly in various field offices i.e. at RO/SRO/ESIC Hospitals on 2nd Wednesday of every month and at ESIC BO on 2nd Friday of every month.

NEW INSPECTION POLICY-2014

OBJECTIVE

The Inspection Scheme aims to achieve the objective of simplifying business regulations and bring in transparency and accountability in labour inspections. It envisages objective criteria for selection of units for inspection.

Mandatory Inspection under New Inspection Policy - 2014

Mandatory Inspection for following categories

- All New Covered/Registered Units.
- Units which have been defaulter for six months.
- Units for which Closure Request has been received.
- Units where no Inspection was carried out in last 3 years.
- Inspections required as decided by the Central Analysis and Intelligence Unit (CAIU).

SYSTEM DRIVEN INSPECTION CRITERIA

- Drop in contribution by 30% and above compared to previous Contribution Period (over a period of 6 months). Top 30% of the units falling in this category.
- Drop in number of Employees by 30% and above compared to previous Contribution Period (over a period of 6 months). Top 30% of the units falling in this category.
- Security/Manpower Agencies employing more than 250 employees, if inspection was not done in the last two years. Top 30% of the units falling in this category in terms of no. of employees.
- Any other not falling in above categories (10%).

UNIFIED LABOUR PORTAL <http://efilelabourreturn.gov.in>

Shram Suvidha or Unified Labour Portal <http://efilelabourreturn.gov.in> is an initiative to achieve good governance, and ensure welfare in the Labour sector. It is an ambitious step towards transparency and accountability in the working of Labour ministry. It is the one stop shop for all labour related services that enables easier compliance mechanism and faster process.

ESIC DECISIONS ON MEDICAL SERVICES - JULY, 2014

ESIC always tries to improve its services to suit the needs of India's workforce. ESIC constituted a Sub-Committee on Medical Services and Medical Education (MSME) for improving medical services under the ESI Scheme. The recommendations of the MSME Committee have been approved by the ESI Corporation in its 162nd meeting held on 31.07.2014 for overall improvement in delivery of medical care under the ESI Scheme. The decisions are as under:

- Heavy dispensaries (OPD attendance of 200 patients/day or more) shall have facility for carrying out essential lab investigations like blood sugar, urine analysis, simpler Biochemistry investigations like KFT, LFT etc. and CBCT & ECG.
- Patients suffering from chronic ailments shall be issued medicines from dispensary for one month at a time.
- For monitoring the performance of all ESIS Hospitals and Dispensaries in the State, a State Executive Committee shall be constituted.
- 'Kahin Bhi Kabhi Bhi' would now be available for emergency situation only.
- Patients discharged from the hospital could be issued medicines from the hospital for the period prescribed or maximum for one month, whichever is shorter.
- The patients shall be recommended for referral by the Specialist for SST, by following specified clinical pathway/specified guidelines in this regard.
- Patients for Super-Specialty Treatment (SST) shall be referred for a specific/particular procedures.
- Cashless SST shall be provided to only those IPs/beneficiaries who have been duly referred to tie-up hospitals by ESIC/ESIS institutions.
- The eligibility of patients for SST shall be determined from the date of registration of IP on IP portal.
- Upper limit on the expenditure for procedures not covered under CGHS package rates would now be ₹ 10.00 lakh per beneficiary/year.
- In respect of children of IP, congenital diseases requiring referral to SST and genetic dis-orders would be eligible for coverage up to the ceiling only in case the child is born after the IP had become eligible for SST.
- In case of malignancy and chronic renal failure, pre-existing disease shall not be eligible for coverage so as to prevent potential misuse of SST.
- Dialysis has been brought back within the definition of SST. Therefore, the eligibility for dialysis shall be the same as that of SST.
- The ceiling on cost of artificial limbs would now be ₹ 1.00 lakh.
- The ceiling on medical expenditure to be reimbursed to the States has been raised from ₹ 1500/- per year to ₹ 2000/- per IP per year.

REDRESSAL OF PUBLIC GRIEVANCES

The ESI Corporation has set up the Public Grievances Redressal System at all levels i.e. Hqrs. Office/Regional/Sub-Regional/Divisional/Branch Offices/ESI Dispensaries/ESI Hospitals. To ensure expeditious disposal and speedy redressal of public grievances under the ESI Scheme, various measures have been taken by the Corporation. It includes a Toll Free Helpline No. 1800-11-2526 activated at Hqrs. office.

Besides the above, the following helplines have also been installed in ESIC RO/SRO to cater to local stakeholders.

Sl. No.	Name of Region	Toll Free Helpline No.	Sl. No.	Name of Region	Toll Free Helpline No.
1.	Andhra Pradesh RO, Hyderabad	1800-425-2358	12.	Maharashtra RO, Mumbai SRO, Pune	1800-209-4599 1800-233-4143
2.	Assam RO, Guwahati	1800-345-3627	13.	Madhya Pradesh RO, Indore	1800-233-4414
3.	Bihar RO, Patna	1800-345-6190	14.	Odisha RO, Bhubaneswar	1800-345-6712
4.	Chhattisgarh RO, Raipur	1800-233-5172	15.	Punjab SRO, Ludhiana	1800-180-0026
5.	Goa RO, Panji	1800-233-0132	16.	Puducherry RO, Puducherry	1800-425-7642
6.	Gujarat RO, Ahmedabad	1800-233-0424	17.	Rajasthan RO, Jaipur SRO, Udaipur	1800-180-6266 1800-180-6224
7.	Haryana RO, Faridabad SRO, Gurgaon	1800-180-1475 1800-180-2526	18.	Tamil Nadu RO, Chennai SRO, Madurai SRO, Tirunelveli	1800-425-7080 1800-425-2527 1800-425-1505
8.	Himachal Pradesh RO, Baddi	1800-180-2862	19.	Uttrakhand RO, Dehradun	1800-180-4161
9.	Jammu & Kashmir RO, Jammu	1800-180-7029	20.	Uttar Pradesh RO, Kanpur SRO, Noida	1800-180-5127 1800-180-3181
10.	Jharkhand RO, Ranchi	1800-345-6532	21.	West Bengal RO, Kolkata SRO, Barrackpore	1800-345-4454 1800-345-5985
11.	Karnataka RO, Bangalore SRO, Hubli	1800-425-0636 1800-425-0037			

For any other information about the ESI scheme individuals or organizations may log on to ESIC website : 'www.esic.nic.in', 'www.esic.in' or contact any of the officers of ESIC offices/ establishments. Grievances can also be reported in writing, over telephone through Toll Free Helpline, by post, Email or in person to any of the following officers.

- Branch Office Level** : Branch Manager
- Dispensary Level** : Insurance Medical Officer Incharge
- Hospital Level** : Medical Superintendent/Deputy Medical Supdt.
- Regional/
Sub-Regional Level** : (i) Regional Director (ii) Director/Joint Director Incharge
(iii) Public Grievance Officer
- State Level** : (i) Senior State Medical Commissioner (ii) State Medical Commissioner (iii) Director, Medical, ESI Scheme
- Corporate Level (Hqrs.)** : (i) Director General (ii) Medical Commissioner
(iii) Insurance Commissioner (iv) Director (Public Grievances)

Address: ESI Corporation, Panchdeep Bhawan, CIG Marg, New Delhi-110002

Website: www.esic.nic.in, www.esic.in, **E-mail:** jd-pghq@esic.in

Phone: 011-23234092/93/98 **Fax:** 011-23234537 **Toll Free Helpline No.:** 1800 11 2526

VIGILANCE RELATED ISSUES

For vigilance related issues, employers and employees covered under the Scheme can contact the Regional Director, ESIC of their areas or write to the :-

Chief Vigilance Officer (Vigilance)

Employees' State Insurance Corporation, Panchdeep Bhawan, CIG Marg,
New Delhi-110002 Tel.: 011-23221105 E-mail: cvohq-dl@esic.nic.in

Director (Vigilance)

Tel.: 011-23230434

ONLINE SERVICES

In ESI Corporation, bilingual (Hindi & English) Information Website, 'www.esic.nic.in' and Service Website 'www.esic.in' are already operational. The following services can be availed online by stakeholders in case of need:-

- i) Registration of employers & employees
- ii) Issuance of TIC
- iii) Online payment of ESI Contribution by the employers or online generation of challan for payment of contributions.

- iv) Payment of Cash benefits at Branch Offices
- v) Facilitation of Medical Care at Dispensaries & Hospitals
- vi) Stakeholders may lodge Grievance online and get redressal through internet facility anytime & anywhere in ESIC.
- vii) Stakeholders are empowered to lodge online public grievance through CPGRAM, Govt. of India vide their Website <http://pgportal.gov.in> and Helpline portal <http://helpline.rb.nic.in>.



कर्मचारी राज्य बीमा निगम
Employees' State Insurance Corporation

Panchdeep Bhawan: C.I.G. Marg, New Delhi-110 002

Website: www.esic.nic.in, www.esic.in Toll Free No. 1800-11-2526