

### EMPLOYEES STATE INSURANCE CORPORATION PANCHDEEP BHAWAN', C.I.G ROAD, NEW DELHI - 110 002. Website - esic.nic.in (011) 23234092

ESIC Chinta Se Mukti No. P-12/11/11/60/2010-Rev.II

Dated: 31/07/2015

То

All Regional Director/Director I/c,/Joint Director I/c, ESI Corporation, Regional Office/Sub Regional Office

# Sub: Extension of the ESI Scheme to Construction Site Workers-reg.

Sir,

In partial modification of Hqrs. Instruction No. 4/99 vide a circular No. P-12(11)-11/27/99-Ins.IV dated 14.06.1999, it is informed that it has been decided to extend the ESI Scheme to the construction site workers deployed in the implemented areas w.e.f 01.08.2015.

The Regional Directors/Director/Joint Director I/c are advised to undertake measures as under:-

- All the construction agencies which have already been covered u/s 1(5), their site workers also be covered and other construction agencies which may now come under coverage by adding construction site workers.
- II. The list of construction agencies/units covered under EPF may be obtained for survey.
- III. List of construction units paying cess towards Construction Workers' Welfare Board and the construction workers registered for benefit under Building and other Construction Workers Welfare Act, 1996 be obtained and surveyed and the benefits extended to such workers by board also asked for.
- IV. The Office of the State Labour Authorities may be approached for any supplementary information for survey and other benefits extended to such workers.
- V. Due publicity by release of Press Note/Public Notice for bringing awareness among the employers and employees of their legal obligation for coverage of construction site workers may be given apart from holding interaction with the representative body of the employers/employees.
- VI. During surveys, the details of workers with their Aadhar Card Number, RSBY Cards and BOCW Act Registration Number may also be captured to the extent available.
- VII. Pehchan Camps for capturing biometric and issue of Pehchan Cards/Aadhar Cards seeding may be arranged.

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As it is to be ensured that all the construction workers are extended coverage by 31.12.2015, you are advised to undertake the above task by launching special drive and submit progress on fortnightly basis in the enclosed proforma to <u>ac-revenuehq@esic.in</u>

This issues with the approval of the Director General.

# Encl: As above

#### Yours faithfully,

(ARUN KUMAR) ADDL. COMMISSIONER (Rev.)

Copy to:

- 1. PS to DG / FC / CVO / MC / AC (ICT) Hqrs. Office for kind information.
- 2. Director Finance / MSU
- 3. Website Contents Management, Hqrs. Office, with the request to upload this instruction.
- 4. Hindi Cell for translation.

#### ADDL. COMMISSIONER (Rev.)



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*ESIC*...... *Chinta Se Mukti* No. P-12/11/11/60/2010-Rev.II

Dated: 31/07/2015

### **NOTICE TO EMPLOYERS**

# SUBJECT: Coverage of all the Construction Workers/Employees under Employees' State Insurance Act.

- It has been decided to extend the benefits of the ESI Scheme to the construction site workers also, located in the implemented areas w.e.f. 1<sup>st</sup> August, 2015 vide instruction no. P-12/11/11/60/2010-Rev.II dated 31/07/2015 in partial modification of the earlier Instruction on the subject. For the coverage under ESI Act, the Construction Site Workers/Employees are also to be considered.
- The ESI Scheme is already applicable to employees engaged in the offices of the Builders/Construction agencies. As per Hqrs. Office instruction No. 4/99 dated 14<sup>th</sup> June, 1999, the construction site workers were excluded from ESI coverage.
- 3. In view of the above, all such employers, employing Construction site workers, are advised to get these workers engaged on the construction sites in the implemented area registered online. They may send these workers and their families to the nearest ESIC Branch Office for their photography and capturing of biometrics so that Pehchan Cards could be issued to the registered workers/employees for availing benefits under the ESI Act.
- 4. Once covered under the Act, the construction site workers/employees will be entitled for benefits of complete medical care (from primary to tertiary medical care), as well as a range of cash benefits in times of exigencies of employment injury, death, disablement, maternity and unemployment.
- 5. With effect from 1.8.2015, all the provisions of the ESI Act, 1948 as amended and Rules and Regulations as framed thereunder, are applicable to all such employers employing construction site workers. The employers are legally liable for compliance as per the provisions of ESI Act, 1948.
- 6. The ESI Scheme is also extended to those Construction agencies, which were earlier not covered due to employees in their offices being less than coverage limit but now will be liable to be covered after addition of construction site workers.

sd/-

Addl. Comm. (Rev.)

#### EMPLOYEES' STATE INSURANCE CORPORATION PANCHDEEP BHAWAN:KOTLA ROAD: NEW DELHI

No.P-12(11)-11/27/99-Ins.IV

Dated: 14thJune, 1999

Instruction No. 4/99

The Regional Director/Director/ Jt.Director(Incharge), Regional Office/Sub-Regional Office, ESI Corporation,

Subject: - Coverage of construction agencies/offices of the builders under the ESI Act, 1948 - clarification thereof.

sir,

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TO

References have been received from some Regional Directors seeking clarification regarding coverage of construction agencies/ Offices of builders particularly on the point as to whether the construction workers working in the construction sites are to be taken into consideration for the purpose of coverage of the construction agencies/offices of builders under Section 1(5) of the ESI Act as a 'shop'.

The matter was examined at Hurs. Office and it is informed that it has been the policy of the ESI Corporation not to cover the workers engaged by the construction agency who belong to the unorganised sector due to the peculiar characteristics of the construction industry and the peculiar nature of/workers engaged In construction industry the work is carried out through in it. the construction workers at the construction sites where the projects are situated. The workers engaged in it are mobile and migratory in nature. The criteria and duration of employment also vary from work to work. Due to the nature of employment and the nature of work place involving the construction workers enforcement of ESI Act in respect of such workers and organising Medical & other facilities for them which are normally available under the ESI scheme will be difficult. Therefore, the existing scheme under the ESI Act is neither applicable nor suitable for workers engaged in construction sites. Hence the following actions may please be taken for coverage of construction agency/ Q

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#### Offices of the Builders:-

1.

Such construction agencies which are employing 20 or more persons in their offices and the offices are situated in implemented areas are coverable under the Scheme. However it may be ensured that the criterion of 20 or more persons is applicable to such employees only who are coverable under Section 2(9) of the ESI Act.

 Such workers who are engaged by construction agencies and are working on the site of the project, should not be considered for the purpose of coverage of an establishment dealing with construction activities.

Such construction workers are to be taken into consideration for coverage under Section 2(9) as 'employee' who are engaged directly in a covered factory by the principal employer or through an immediate employer.

- 5. Some of the regular employees of the construction agencies mostly technical staff such as Engineers, Supervisors etc. who are regular employees of the construction agency but are normally sent to the work-site periodically, are to be taken into/account for the purpose of coverage of the establishment under Section 1(5).

6. In respect of those employees who are though regular employees of the construction Agency but remain on tour at the Site(s) of the construction in non-implemented areas for a period of more than 7 months in a year, constribution may not be charged subject to the employer seeking exemption under Section 88 of the ESI Act in respect of those employees.

Hindi Version will follow.

Yours faithfully,

f. Hanaik.

(S.P.S.KHETAL) ADDL.COMMISSIONER(REVENUE) Copy forwarded to Addl.Commissioner(P&A), Addl.Commissioner(Ben.), Director(HRD), Director(P&D), Director(MSU), Add.Com.(Vig.), Director(Finance) and all Branches of Hgrs. Office.