

Introduction to ESI Act, 1948

ESI Act, 1948 – LEGISLATIVE FRAMEWORK

- The first World war was over on 11 November, 1918 when cease-fire signed.
- The ILO was created in 1919, as part of the Treaty of Versailles that ended World War I.
- 1920 – As per the ILO Conventions, Labour welfare legislations are enacted the world over, But, India hesitates.
- 1922 – The Indian reluctance is criticised in the ILO.
- 1923 – Workmen’s Compensation Act, 1923 comes into existence.
- 1939 to 1945 – Second World War.
- 1941-

Winston Churchill entrusts the work of formulating a comprehensive labour welfare legislation for the post war Britain.

Sir William Beveridge was entrusted with the task.

He prepares a Report which has, later, come to be described as a monumental document on social security.

Indian Government asks Prof. Adharkar to prepare such a report for India.

He submits his report on 15.8.1944.

- 1945 – The Second World War ends.
- In 1946, the ILO became a specialized agency of the United Nations.
- The Employees’ State Insurance Act - Promulgated by the Parliament of India in the year 1948.
- The Scheme was introduced in Delhi and Kanpur on 24th February, 1952.
- Employees’ State Insurance Corporation (abbreviated as ESIC) is one of the two main **statutory social security bodies** under the administrative control of **Ministry of Labour and Employment, Government of India**, the other being the **Employees’ Provident Fund Organisation**.
- Administratively, the organisation is divided into Five zones across India.

- At present, there are Five Zones across India headed by Zonal Insurance Commissioner.
 - The states have one Regional Offices (RO) which is generally headed by an additional commissioner or Director Rank officer; the Regional Offices are sub-divided into Sub-Regional offices (SRO) consisting several districts, SROs are headed by Director or Joint Director Rank officers.
 - The total sanctioned manpower of the ESIC is at present more than 21,000 including all levels.
 - First major legislation on Social Security in independent India to provide certain benefits to the employees in the organized sector in case of :
 - (i) sickness,
 - (ii) maternity and
 - (iii) employment injury
1. The social security system of a country is the symbol of civilisation.
 2. The extent of its success depends upon the degree of maturity of the society as a whole.
 3. The ESI Act, 1948 is not a compulsory provision for any factory or establishment, There are provisions for exemption of employer (Section - 87 to 90) and employee Section 2(10) read with Section 2(9)(iii)(b)]
 4. An employer can rightly demand exemption, if the benefits provided by him to his employees are substantially similar or superior to those provided for in the ESI Act, 1948.
 5. This condition must be really fulfilled. The assertion will be verified with reference to the past records of employer.

APPLICABILITY

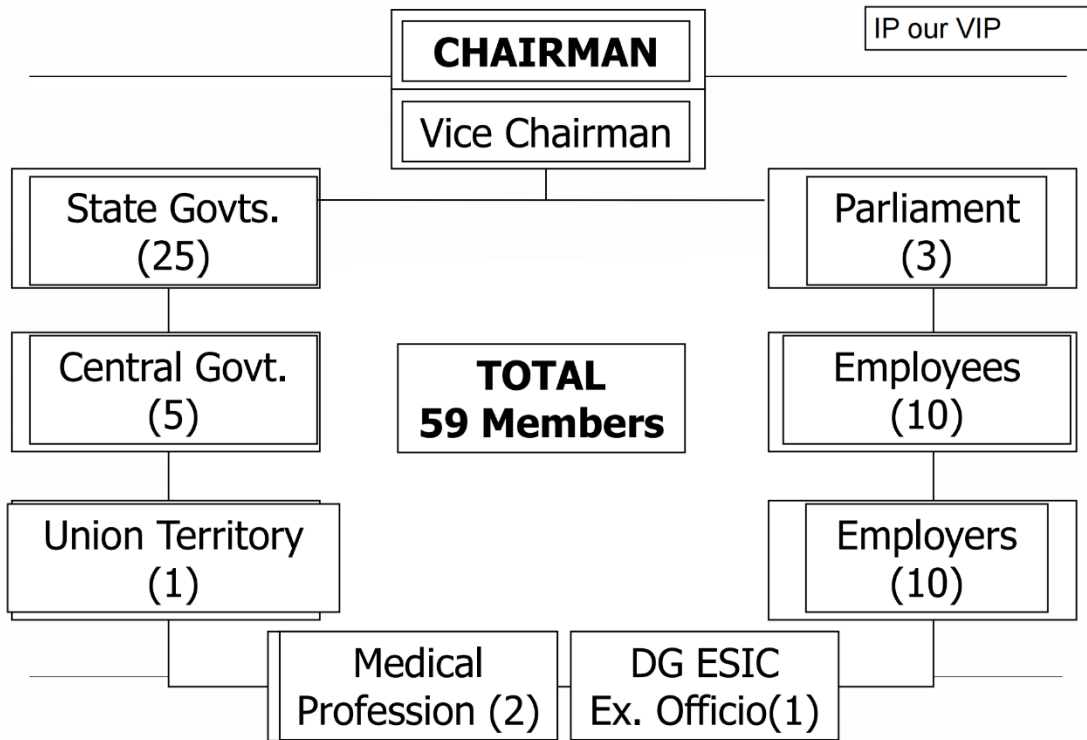
- (a) Provisions of the Act are implemented area-wise notification by Central Govt. on provision of medical arrangement by State govt.

(b) The ESI Act, 1948 applies to non-seasonal factories employing 10 or more employees, Shops, hotels, restaurants cinemas including preview theatres, road motor transport agencies and newspaper establishments, etc employing 20* or more employees.

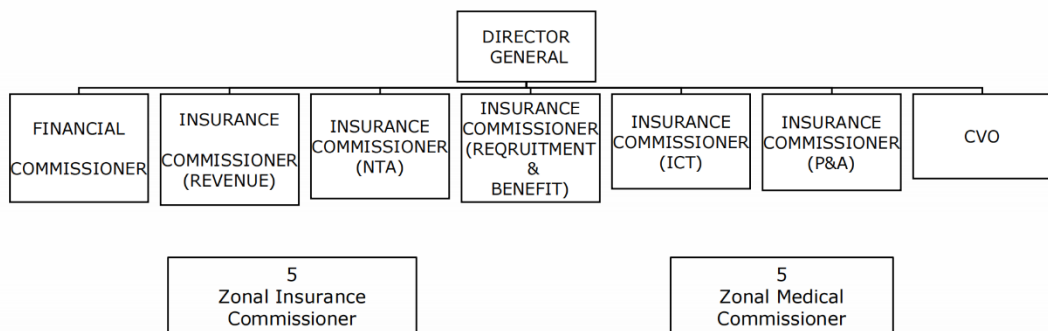
(c) Educational institutions and private medical institutions employing 20* or more employees.

****Note: The threshold limit in respect of shops and other establishments has been brought down to 10 by 22 State Governments and other states are in the process of doing so.***

COMPOSITION OF THE CORPORATION



HIERARCHIAL STRUCTURE



OFFICERS AT HEADQUARTERS OFFICE

ADDITIONAL COMMISSIONER

DIRECTOR ESTABLISHMENT III & IV

JOINT DIRECTOR

DY.DIRECTOR

ASSISTANT DIRECTOR

Supportive Staff at Hqrs Office.

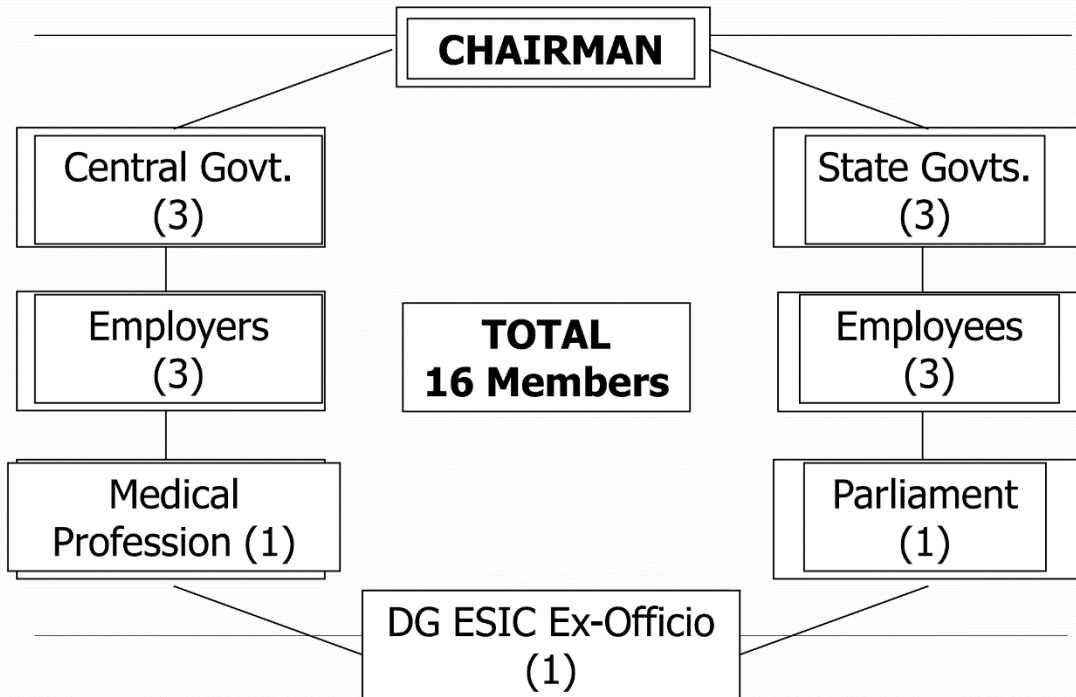
SOCIAL SECURITY OFFICER

ASSISTANT

UDC

MTS

COMPOSITION OF THE STANDING COMMITTEE OF ESIC



1 - DG, ESIC - Ex-officio Chairman

1 - DGHS - Ex-officio Co-Chairman

1 - Medical Commissioner, ESIC ex-officio

25 - One member each from implemented states nominated by State Govt.

3 - Members representing employers to be appointed by Cen Govt.

3 - Members representing employees to be appointed by Cen Govt.

3 - Members of who not less than one shall be woman, representing medical profession to be appointed by Cen Govt.

Total member 37.