



☎ Off : 26613091 / 26607167
42103360 / 26761877
Email : kea@kea.co.in
Web : www.kea.co.in

KARNATAKA EMPLOYERS' ASSOCIATION

NO.74, 2nd FLOOR, SHANKARA ARCADE, VANIVILAS ROAD, BASAVANAGUDI
BENGALURU - 560 004
Reg. No. TU 507 / 20-3-1962

Date : 12-10-2016

CIRCULAR No.100/2016

To
All Members of the Association

SUB: Important Amendment Proposed to the ESI (Central) Rules, 1950.

- 1. Wage Limit for coverage of Employees under the ESI Act proposed to be increased:** Section 2(9) of the ESI Act defines 'employee' and stipulates that any person employed whose wages (excluding remuneration for Overtime Work) exceed such wages as may be prescribed by the Central Government per month.

Rule 50 of the ESI (Central) Rules, 1950 provides that the Wage Limit for coverage of an Employee under Clause 9 of Section 2 of the Act shall be Rs.15,000/- per month.

The above Rule is proposed to be amended by stipulating for the words "Fifteen Thousand" wherever they occur the words "Twenty-one thousand" shall be substituted.

- 2. Insertion of New Sub-Rule to extend benefit to the surrogate and the woman who legally adopts child of up to 3 months of Age:** The proposed insertion to the Rule 2 to the ESI (Central) Rules reads as under:-

" 2(B): Insured Woman means a woman who is or was an 'employee' in respect of whom contribution is or payable under this Act and who is by reason thereof, entitled to any of the benefits provided under this Act and shall include-

- (i) a commissioning Mother who as biological mother wishes to have a child and prefers to get embryo implanted in any other woman;
- (ii) a Woman who legally adopts a child of upto 3 months of Age."

- 3. Rule 56 contains the provisions with regard to Maternity Benefit:** The Rule 56(2) provides that 'Subject to the provisions of the Act and the regulations, if any, an Insured Woman who is qualified to claim Maternity Benefits in accordance with the Rule shall be entitled to receive it at the Daily Rate specified under the Rules, for all the days on which she does not work for remuneration, during a period of twelve weeks of which not more than six weeks shall precede the expected date of confinement.

The above Rule is proposed Amended to read as under:-

- i) **For the words twelve weeks which not more than six weeks, the words 'twenty-six weeks of which not more than eight weeks shall be substituted';**
- ii) **Following proviso shall be inserted after the first proviso to Rule 56;**

Provided further that the Insured Woman shall be entitled to twelve Weeks' of Maternity Benefit from the day the child is handed over to the Commissioning Mother, after birth or adopting Mother as the case may be.

Provided also that Insured Woman having two or more than two surviving children shall be entitled to receive Maternity Benefits during a period of Twelve Weeks' of which not more than Six Weeks shall precede the expected date of confinement.

- iii) **The proposed Amendment omits Sub-rule (4) of Rule 56, which provides for additional Maternity Leave, not exceeding One Month.**
4. (a) The Government of India has published the Draft Rules for above Amendments to the ESI (Central) Rules and has published the Draft Notification in Gazette No.709 dated 6.10.2016 and Gazette No.710 dated 16.10.2016. All the persons likely to be affected by the Amendments have been given an opportunity to submit their objections or suggestions within the expiry of a period of 30 days from the date on which the Notification is published in the Official Gazette. Suggestions and Objections shall have to be addressed to Mr. Ajay Malik, Under Secretary, Ministry of Labour and Employment, Shramashakthi Bhawan, Rafi Marg, New Delhi – 110 001, Copies of the Gazettes are enclosed.
 - (b) The Members may submit their Objections and Suggestions directly to the Ministry of Labour and Employment, Government of India and send a copy of the same to the Association.
 - (c) The Association would also submit its comment and the comment submitted will be circulated separately to the Members.

5. Amendment regarding Quantum of Contribution in the areas where the ESI Act is implemented for the first time.

- 5.1. Rule 51 of the ESI (Central) Rules contains the provision with regard to the amount of Contribution to be made by the Employers' and the Employees'. New Rule 51-B is inserted to provide for Payment of Contribution in the areas where the Act is implemented for the first time. The New Rule reads as under:-

“51-B. In areas where the Act is implemented for the first time, the rates of Employers' and Employees' Contribution for initial 24 months from such date of implementation shall be as under:

- a) Employer's Contribution – A sum (rounded to the next higher rupee) equal to 3% of the wages payable to an employee; and
- b) Employee's Contribution - A sum (rounded to the next higher rupee) equal to 1% of the wages payable to an employee.

Provided that on completion of 24 months from the date of implementation of the Act, the rate of contribution as provided under Rule 51 shall be applicable.”

- 5.2. The New Rule has been notified in Gazette of India No.711 dated 6.10.2016. The Rule has come into force from the date of publication in the Gazette i.e., 6.10.2016.
- 6. Copies of the Gazette of India dated 6.10.2016 have been uploaded in the KEA Web Site.

for KARNATAKA EMPLOYERS' ASSOCIATION

**sd/-
(B.C. PRABHAKAR)
PRESIDENT**



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 709]

नई दिल्ली, बृहस्पतिवार, अक्टूबर 6, 2016/आश्विन 14, 1938

No. 709]

NEW DELHI, THURSDAY, OCTOBER 6, 2016/ASVINA 14, 1938

MINISTRY OF LABOUR AND EMPLOYMENT

NOTIFICATION

New Delhi, the 6th October, 2016

G.S.R. 957(E).—Whereas certain draft rules further to amend the Employees' State Insurance (Central) Rules, 1950 which the Central Government, after consultation with the Employees' State Insurance Corporation, proposes to make in exercise of the powers conferred by section 95 of the Employees' State Insurance Act, 1948 (34 of 1948), is hereby published as required by sub-section (1) of the said section for information of all persons likely to be affected thereby and notice is hereby given that the said draft rules will be taken into consideration after expiry of a period of thirty days from the date on which the copies of the Official Gazette in which this notification is published, are made available to the public;

The Objections or suggestions, which may be received from any person in respect of these draft rules within the period specified above, will be considered by the Central Government;

Objections and suggestions, if any, may be addressed to Shri Ajay Malik, Under Secretary, Ministry of Labour and Employment, Shram Shakti Bhawan, Rafi Marg, New Delhi-110001.

DRAFT RULES

- (1) These rules may be called the Employees' State Insurance (Central) Amendment Rules, 2016.
- (2) In the Employees' State Insurance (Central) Rules, 1950, in rule 50, for the words "fifteen thousand", wherever they occur, the words "twenty-one thousand" shall be substituted. .

[F.No.S-38012/02/2013-SS-I]

RAJEEV ARORA, Jt. Secy.

Note : The principal rules were published in the Gazette of India vide notification number S.R.O.212, dated the 22nd June, 1950 and lastly amended vide notification number G.S.R. 598(E), dated the 14th June, 2016.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 710]

नई दिल्ली, बृहस्पतिवार, अक्टूबर 6, 2016/आश्विन 14, 1938

No. 710]

NEW DELHI, THURSDAY, OCTOBER 6, 2016/ASVINA 14, 1938

MINISTRY OF LABOUR AND EMPLOYMENT

NOTIFICATION

New Delhi, the 6th October, 2016

G.S.R. 958(E).—The following draft of certain rules further to amend the Employees' State Insurance (Central) Rules, 1950, which the Central Government, after consulting the Employees' State Insurance Corporation, proposes to make in exercise of the powers conferred by section 95 of the Employees' State Insurance Act, 1948 (34 of 1948), is hereby published as required by sub-section (1) of the said section for information of all persons likely to be affected thereby and notice is hereby given that the said draft rules will be taken into consideration after thirty days from the date on which the copies of the Official Gazette in which this notification is published, are made available to the public;

Objections and suggestions, if any, may be addressed to Shri Ajay Malik, Under Secretary, Ministry of Labour and Employment, Shram Shakti Bhawan, Rafi Marg, New Delhi-110001;

The Objections or suggestions, which may be received from any person in respect of the said draft rules within the period specified above, will be considered by the Central Government.

DRAFT RULES

1. These rules may be called the Employees' State Insurance (Central) Amendment Rules, 2016.
2. In the Employees' State Insurance (Central) Rules, 1950;—
 - (a) in rule 2, after sub-rule 2(A), the following sub-rule shall be inserted, namely:—

“(2B). ‘Insured woman’ means a woman who is or was an employee in respect of whom contribution is or were payable under this Act and who is by reason thereof, entitled to any of the benefits provided under this Act and shall include—

- (i) a commissioning mother who as biological mother wishes to have a child and prefers to get embryo implanted in any other woman;
 - (ii) a woman who legally adopts a child of upto three months of age;
- (b) in rule 56 , in sub-rule (2),—
- (i) for the words 'twelve weeks of which not more than six weeks', the words 'twenty six weeks of which not more than eight weeks' shall be substituted;
 - (ii) after the first proviso, the following provisos shall be inserted, namely:—

“Provided further that the insured woman shall be entitled to twelve weeks of maternity benefit from the date the child is handed over to the commissioning mother after birth or adopting mother, as the case may be.

Provided also that the insured woman having two or more than two surviving children shall be entitled to receive maternity benefits during a period of twelve weeks of which not more than six weeks shall precede the expected date of confinement.”;
- (c) in rule 56, sub-rule (4) shall be omitted.

[F. No. S-38012/02/2016-SS-I]

RAJEEV ARORA, Jt. Secy.

Note: The principal rules were published in the Gazette of India Extraordinary, Part II, Section 3, Sub-section (i), vide number S.R.O. 212, dated the 22nd June, 1950 and lastly amended vide number G.S.R. 598(E), dated the 14th June, 2016.


सत्यमेव जयते

भारत का राजपत्र

The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 711]

नई दिल्ली, बृहस्पतिवार, अक्टूबर 6, 2016/आश्विन 14, 1938

No. 711]

NEW DELHI, THURSDAY, OCTOBER 6, 2016/ASVINA 14, 1938

MINISTRY OF LABOUR AND EMPLOYMENT

NOTIFICATION

New Delhi, the 6th October, 2016

G.S.R. 959(E).—Whereas certain draft rules further to amend the Employees' State Insurance (Central) Rules 1950 were published, as required by sub-section (1) of section 95 of the Employees' State Insurance Act, 1948 (34 of 1948), in the Gazette of India, Extraordinary, Part-II, section 3, sub-section (i) vide number G.S.R. 720(E), dated 25th July, 2016 inviting objections and suggestions from all persons likely to be affected thereby before the expiry of a period of thirty days from the date on which the copies of the Official Gazette in which the said notification was published, were made available to the public;

And whereas, the copies of the said Official Gazette were made available to the public on the 25th July, 2016;

And whereas, objections and suggestions received from persons likely to be affected thereby, have been considered by the Central Government;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 95 of the said Act, the Central Government, after consultation with the Employees' State Insurance Corporation, hereby makes the following rule further to amend the Employees' State Insurance (Central) Rules, 1950, namely:-

1. (1) These rules may be called the Employees' State Insurance (Central) Second Amendment Rules, 2016.
(2) They shall come into force from the date of their publication in the Official Gazette.
2. In the Employees' State Insurance (Central) Rules, 1950,-
 - (a) rule "51-(A)" shall be renumbered as rule "51A";

(b) after sub-rule (2) of rule 51A as so renumbered, the following new rule shall be inserted, namely:-

“51B. In areas where the Act is implemented for the first time, the rates of employer’s and employee’s contribution for the initial twenty-four months from such date of implementation, shall be as under:-

- (a) Employer’s contribution - A sum (rounded to the next higher rupee) equal to three per cent of the wages payable to an employee; and
- (b) Employee’s contribution – A sum (rounded to next higher rupee) equal to one per cent of the wages payable to an employee:

Provided that on completion of twenty-four months from the date of implementation of the Act, the rate of contribution as provided under rule 51 shall be applicable.”

[F. No. S-38012/01/2016-SS-I]

RAJEEV ARORA, Jt. Secy.

Note : The principal rules were published in the Gazette of India vide notification number S.R.O. 212 dated the 22nd June, 1950 and lastly amended vide notification number G.S.R. 598(E) dated the 14th June, 2016.