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KARNATAKA EMPLOYERS' ASSOCIATION

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

Date : 05-08-2015

CIRCULAR No.64/2015

To
All Members of the Association

Sub: Coverage of Construction Site Workers Under ESI

1. The ESI Corporation had earlier issued certain Guidelines for coverage of Construction Agencies/Officers of the Builders under ESI Act vide its Notification No.P-12(11)-11/27/99-Ins.IV dated 14th June 1999. The guidelines provided as under:-
 - i) 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.
 - ii) 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.
 - iii) Such construction workers are to be taken into consideration for coverage under Section 2(9) as 'employees' who are engaged directly in a covered factory by the principal employer or through an immediate employer.
 - iv) Only employees of the construction agencies who are posted in the office are to be taken into consideration for the coverage of the unit.
 - v) 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).
 - vi) In respect of those employees who are though regular employees of the construction Agency, but remain on tour at Site(s) of the construction in non-implemented areas for a period of more than 7 months in a year, contribution may not be charged subject to the employer seeking exemption under Section 88 of the ESI Act in respect of those employees.

2. The Employees State Insurance Corporation has now issued Notice dated 31.7.2015 to all the Employers advising that with effect from 1.8.2015 all provisions of ESI Act, 1948 as amended and Rules and Regulations as framed thereunder are applicable to all such Employers of the Construction Site Workers. The Employers are liable for compliance as per the provisions of the ESI Act, 1948.
3. It has been further clarified that ESI Scheme is also extended to those Construction Agencies which were earlier not covered due to employees in their office have been less than the coverage limit, but, now will be liable to be covered after addition of Construction Site Workers.
4. The Notice to the Employers issued by ESIC dated 31.7.2015 is enclosed. Another Circular dated 31.7.2015 giving certain Guidelines to the Field Functionaries of the Corporation issued by the Corporation is also enclosed for the information of all the Members.
5. The Members may please take note of the above changes and ensure compliance.

for KARNATAKA EMPLOYERS' ASSOCIATION

sd/-
(B.C. PRABHAKAR)
PRESIDENT



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

To

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:-

- I. 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.

प्रमाणित की विषय-सूची का बनना-।
Worker's Welfare Board, New Delhi
आवक सं. / Order No. 559
दिनांक Date 31/07/15

Contd-----2.

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 ac-revenuehq@esic.in

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.)

NAME OF THE RO/SRO/DO

PROGRESS REPORT FOR THE FORTNIGHT _____ TO _____

I	No. of Construction Units already covered with ESIC	No. of Construction Site Workers additionally registered by the Employer/ subsequent Survey
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II	No. of Construction Units registered with EPFO/State Authority (Unique Employer excluding already covered under ESIC)	No. of Units surveyed and brought under coverage	No. of employees covered
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SIGN. OF THE AUTHORITY



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

NOTICE TO EMPLOYERS

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

1. 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. 1st 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.
2. 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 14th 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.)

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.
2. 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.
3. 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.
4. Only employees of the construction agencies who are posted in the office - ~~XXXXXXXXXXXXXXXXXXXX~~ - are to be taken into consideration for the coverage of the unit.
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, contribution may not be charged subject to the employer seeking exemption under Section 88 of the ESI Act in respect of those employees.

Yours faithfully,

Hindi Version will follow.

S.P.S. KHETAL

(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 Hqrs. Office.

H. H. Malik