



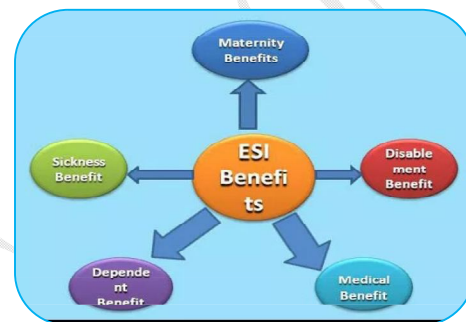
## STUDY EMPLOYEES INSURANCE WITH SPECIAL REFERENCE TO ESIC ACT 1948

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### ABSTRACT:

Social security legislation Employee state insurance act 1948 it is a health insurance scheme for Indian workers. Employee of industrial sector and below income they have not able to complete health related issue. This act protected the workers and their safety in life. Employees' State Insurance act 1948 covers the incidence of sickness, maternity, disablement, accidental injury and provides total cover of workers and whole families. ESIC ACT 1948 provides security of health and medical benefits against due to monthly wages. Rate of contribution of employer is 4.75% and employee is 1.75 According to wages payable of employee with implemented since 1997. Present study deals with analysis, impact and benefit ESIC Act for workers of difference sector. Show its rules and regulatory framework.



**KEYWORDS:** Insurance, ESIC, Beneficiaries, wages, - etc.

### INTRODUCTION

Employee state insurance scheme is the biggest insurance scheme for Indian workers. The scheme mainly covers the protection health issues like sickness, disability, accidental, death and maternity. Scheme covers its benefits low income workers and their whole families. We can say it is social scheme for needy people. Works in various field manufacturing, chemical companies' accidently make any injury ESIC scheme give the total protection of that employee in his medical related issues. It is different from other types of health

insurance that it provides full amount of medical bill irrespective of the premium contribution. This scheme is implemented for companies registered under factories act 1948.

### NEED OF STUDY

The present study shows the impact, need, scheme benefit of employee from ESIC scheme. Study regulatory framework of ESIC act 1948.

### OBJECTIVES OF THE STUDY:

To understand rules and regulation of ESIC Act  
To study the benefits derived by employees through ESIC.  
To know covers and

implementation of ESIC acts.

### 1.4 Resources of the study:-

The secondary data is collected from.

The website provided by Employees State Insurance Corporation.

Published Articles, Books, Magazines

### STUDY ON REGULATORY FRAMEWORK OF ESIC STATUTORY ACT

The scheme was inaugurated in Kanpur on 24th February 1952. The Employees' State Insurance Corporation (ESIC) is a statutory body constituted to administer the ESI scheme.

1. Ministry of Labour & Employment, Government of India controlled ESIC Administration.
2. ESI India's social security scheme for Indian worker.
3. 1.21 core insured persons (IP) , 4.68 core beneficiaries (IPs and family members)

### **ESI ACT 19TH APRIL, 1948**

Today people work in various field need to secure of their life. People work the industries like chemical, manufacturing rick in The main objective of employees state insurance Act to provide the workers medical relief, sickness cash benefit, maternity benefit to woman workers, pension to dependents to of deceased workers compensation for fatal or other employment injuries including occupational diseases, in integrated from through contributory fund.. The ESI Act applies to non-seasonal factories employing ten or more persons in a power using fact and twenty or more persons in anon-power using factory. The scheme implemented for establishments such as shops, hotels and restaurants, road and motor transport undertakings, newspaper establishments and cinema halls. Workman compensation act in respect of employment injury sustained for him .The covers those employees, who are drawing wages not exceeding rupees 21000- per month w. e. f. 1<sup>st</sup> Jan, 2017.

### **ESTABLISHMENT OF EMPLOYEES STATE INSURANCE CORPORATION:**

Central government established the corporation to be known as employees state Insurance Corporation. This corporation having following characteristic separate corporate body

1. Having perpetual succession. (No death)
2. Have a common seal.
3. Employees state insurance corporation can sue. (File suit in court on other)
4. Other can sue Employees' state insurance corporation.

Corporation consist following member as per Esic act section- 4 Appointed by central government:-1.chairman 2.vice-chairman 3. One person for union terrorise 4. Ten person representing employers.5. Ten person representing employees 6. Two person representing medical professional. State Government which this act in force to be appointed one person from each state. Two members from parliament (Loksabha) and one shall be a member of council.( Raja sabha ) State insurance act ESI was enacted with the objective of introducing a scheme of health insurance for industrial worker. The ESI Act, which has replaced the workman's companion.

### **RIGHTS OF EMPLOYERS**

1. Right to recover the employee's share of contribution from this wages.
2. Right to discharge any employee after giving the requisite notice provided the terms of employment allow under following circumstance. (A) Temporary disablement benefit for a contribution period atleast 6 months.( B) Medical, absent result of illness etc. contribution period 6 months atleast. C. Employees has been under medical treatment for any specified diseases, for contribution period atleast 18 months (Regulation 98)
3. Right to appeal against an order ESI court Question of law to the high court within 60 days. (Section 82)

### **RIGHT OF EMPLOYEES**

1. Right to claim the medical and cash benefits allowable in accordance with the act and the regulation.
2. Right to appeal against an order of the employees insurance court, to the High court within 60 days.

### **CONTRIBUTIONS:-**

The total amount of contribution (employee s share and employers share) is to be deposited with the authorized bank through a Challan in the prescribed form in quadruplicate on are before 21<sup>st</sup> mouth following calendar month in which the wages fall due.

**Rate of Contribution of the wages**

- A. Employers - 4.75
- B. Employees- 1.75

**Contribution Period -**

1<sup>st</sup> April to 30<sup>th</sup> September & 1<sup>st</sup> October to 31<sup>st</sup> March. If the the person joined insurance employment for the first time say on 5<sup>th</sup> January to 31<sup>st</sup> March and his corresponding first benefit will be from 5<sup>th</sup> October to 31<sup>st</sup> December.

**The objectives of ESIS are to provide benefits in cash and kind which include:**

1. Medical Benefit (for self and family);
2. Sickness Benefit (for self);
3. Maternity Benefit (for self);
4. Disablement Benefit, both temporary and permanent (for self);
5. Dependents' Benefit (for family);
6. Funeral Expenses (to a person who performs the last rites of an IP);
7. Rehabilitation Allowance (for self);
8. Vocational Rehabilitation for the IPs;
9. Old age Medicare (for self and spouse);
10. Medical Bonus (for insured women and IP's wife).

**MEDICAL BENEFIT INSURED PERSON AND HIS FAMIL**

General Provision on Benefit – Subject to the provision of this Act, the insured person, their dependents or the persons hereinafter mentioned.

A) Sickness certified by a duly appointed medical officer.

B) For woman Sickness arising out of pregnancy, confinement, premature birth of child or miscarriage, (here in after referred to as maternity benefit)

C) Periodical payment to an insured for disablement as result employment injury. (Disablement benefit)

D) Periodical payment to such dependants of insured person who dies as result of an employment injury. (Dependent benefit )

E) Medical treatment for and attendance on insured person (medical benefit)

F) Payment of eldest surviving member of the family of an insured person who has died, towards the expenditure on the funeral of the deceased insured person (funeral expense)

Provided that the amount of such payment shall not exceed such amount as may be prescribed by the central government and ESIC regulation such claim within three months or extended period as ESIC authority.

**SICKNESS BENEFIT-**

Insured person having facility in sickness. Payment for at least 78 days in the relevant contribution period. The insured person shall not however, be entitled to sickness for an initial waiting period of 2 days. The sickness benefit is also not to be paid to any person for more than 91 days in any 2 consecutive benefits.

**MATERNITY BENEFIT****An insured woman shall be entitled to maternity benefit:-**

Payment contribution for 70 days immediately preceding two consecutive contribution period. The Duration 12 weeks of which not more than 6 weeks cash precede the expected date of confinement 6 weeks for miscarriage and additional and month for sickness, arising out of pregnancy confinement, birth of child or miscarriage. Rate is double standard benefit

**DISABLEMENT BENEFIT**

1. Temporary disablement should be an employee on the date of injury. The duration till the in capacity continues. Rate 90% against of wages.
2. Permanent disablement should be an employee on the date of injury. Duration cover for life. Rate depends upon the loss of earning capacity of the workers.

**DEPENDENT BENEFIT**

The deceased should be an employee on the date of fatal employment injury.

- A) To widow\ Widows for life or until marriage B) To widowed mothers during life. C) To legitimate or adopted son and daughter till the age of 18 year. Ninety percent of wages to be divided amongst the dependent in the prescribed ratio.

**FINDINGS:**

ESIC scheme is provide social security of worker having low income.

1. It is only single scheme of insurance to provide medical protections low income insured person and his family.
2. It is give life security to employee square about health problem.

**SUGGESTIONS:**

1. Infrastructure of the ESIC hospital is not well equipped. Laboratories and Diagnostics is limited. ESIC hospital refers for other laboratories and diagnostics centre it is loss of time and money of insured person.
2. Scheme covers give benefits maximum number of employee but want implemented direct service in compression like to other medical insurance policy improve Cashless facility.
3. Arrange Awareness programme about the scheme.

**CONCLUSION:**

We can say the employee state insurance scheme is benefited to employee or worker of different sector. It only single scheme to provide total medical and health related security and cover insured person and his whole family. Motivate the worker and give social security of workers of various sectors. Insure the life security low income employee. It is only welfare scheme of employee. Employee of factories and various sectors is totally aware of benefits of ESIC scheme need arrange awareness programme and marketing of this scheme. We want rich last employee or beneficiaries of ESIC scheme.

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