

EMPLOYEES' STATE INSURANCE CORPORATION
 HQRS. OFFICE: PANCHDEEP BHAWAN
 COMRADE INDERAJIT GUPTA MARG
 NEW DELHI-110002
 Website: www.esic.org.in
 Website: <http://esic.nic.in>

No.X-14/11/1/2004-P&D

29.09.2006

To

The Regional Director/Jt. Director I/c
 Employees' State Insurance Corporation,
 Regional Office/SRO/Divisional Office,

Subject: Enhancement of Wage Ceiling for coverage under the ESI Act, 1948.

Sir,

In pursuance of the decision taken by the ESI Corporation at its 136th meeting held on 15.06.2006, the wage ceiling for coverage of employees under the Act from Rs.7, 500/- to Rs10, 000/-, the Central Govt. has issued a final notification which has been published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-Sec.(i) dated 22.09.2006 for coverage under the Act from Rs.7, 500/- to Rs10, 000/-, per month and consequential addition of 10 more slabs of standard benefit rates. A copy of the Gazette, containing Notification no. S-38025/9/2006-SS-I dated 22.09.2006 amending Rule 50 and 54 of ESI (Central) Rules, 1950, which will come into force w.e.f. 01.10.2006 is enclosed. The salient features of the notification are as under

- a) With the amendment in Rule 50, the wage ceiling for coverage under the ESI Act has been enhanced from Rs.7, 500/- to Rs10, 000/-, per month w.e.f. 1.10.2006. Accordingly, all employees whose salary, excluding remuneration for over-time work, exceeds Rs.7,500/- but does not exceed Rs.10,000/- per month would become coverable under the ESI Act w.e.f. 1.10.2006.
- b) As a result of amendment in Rule 54, ten more slabs of daily standard benefit rates have been added in the table of standard benefit rates under Rule 54 of ESI (Central) Rules, 1950. The revised table effective from 1.10.2006 will be as under –

TABLE

Sl.No.	Group of employees whose average daily wages are	Standard Benefit Rate Rs.
1.	Below Rs.28	14 or full average daily wage whichever is less.
2.	Rs.28 and above but below Rs.32	16
3.	Rs.32 and above but below Rs.36	18
4.	Rs.36 and above but below Rs.40	20
5.	Rs.40 and above but below Rs.48	24
6.	Rs.48 and above but below Rs.56	28
7.	Rs.56 and above but below Rs.60	30
8.	Rs.60 and above but below Rs.64	32
9.	Rs.64 and above but below Rs.72	36
10.	Rs.72 and above but below Rs.76	38

11.	Rs.76 and above but below Rs.80	40
12.	Rs.80 and above but below Rs.88	44
13.	Rs.88 and above but below Rs.96	48
14.	Rs.96 and above but below Rs.106	53
15.	Rs.106 and above but below Rs.116	58
16.	Rs.116 and above but below Rs.126	63
17.	Rs.126 and above but below Rs.136	68
18.	Rs.136 and above but below Rs.146	73
19.	Rs.146 and above but below Rs.156	78
20.	Rs.156 and above but below Rs.166	83
21.	Rs.166 and above but below Rs.176	88
22.	Rs.176 and above but below Rs.186	93
23.	Rs.186 and above but below Rs.196	98
24.	Rs.196 and above but below Rs.206	103
25.	Rs.206 and above but below Rs.216	108
26.	Rs.216 and above but below Rs.226	113
27.	Rs.226 and above but below Rs.236	118
28.	Rs.236 and above but below Rs.250	125
29.	Rs.250 and above but below Rs.260	130
30.	Rs.260 and above but below Rs.270	135
31.	Rs.270 and above but below Rs.280	140
32.	Rs.280 and above but below Rs.290	145
33.	Rs.290 and above but below Rs.300	150
34.	Rs.300 and above but below Rs.310	155
35.	Rs.310 and above but below Rs.320	160
36.	Rs.320 and above but below Rs.330	165
37.	Rs.330 and above but below Rs.340	170
38.	Rs.340 and above but below Rs.350	175
39.	Rs.350 and above but below Rs.360	180
40.	Rs.360 and above but below Rs.370	185
41.	Rs.370 and above but below Rs.380	190
42.	Rs.380 and above	195

2. In the light of the aforesaid amendments, the following steps shall be taken urgently for registration of additional employees who will become coverable under the Act w.e.f. 1.10.2006 consequent upon enhancement in the wage ceiling -

- a) All the employers may be requested to send a list of all such coverable employees in the enclosed Performa to the appropriate Branch Office (in quadruplicate) along with their declaration forms. A copy of the list may be endorsed to Regional Director/Joint Director, In-charge of Sub-Regional Office/Divisional Offices (Policy Section) for record.
- b) In case of workers who were earlier covered under the scheme and had gone out of coverage on crossing the wage ceiling, the employers may be requested to indicate employee's old insurance numbers in the list and also to enclose their old Identity Cards, if available, for re-validation.
- c) On receipt of the lists of such coverable employees along with their declaration forms/old Identity cards, the Branch Office may issue Temporary Identity Cards (TICs) immediately across the counter and re-validate the old Identity Cards by affixing a rubber stamp marking "Re-validated on re-entry in insurable employment - w.e.f. 1.10.2006". Where old Identity cards are not available, duplicate identity cards may be issued free of cost.

d) The Branch Managers will take necessary action to issue other documents on priority basis within a period of 7 days from the date of receipt of documents from the employers.

e) One copy of the lists referred to in (a) above may be sent to the appropriate dispensary/AMO to ensure that medical benefit is provided to the newly covered employees and members of their families without insisting for ESI-C-37/ESI-C-86. The AMO ESI Scheme will make an allotment of newly covered/re-entered employees to area Insurance medical Practitioners.

Necessary instructions may be issued to all Branch Managers, Administrative Medical Officers / Directors of ESI (Medical) Scheme/ Panel Doctors and State Governments. Enhancement in the wage ceiling may also be brought to the notice of the employers and their organizations through letters, advertisements and news items in the national and local Dailies and through circulars. The Workers' Organizations may also be informed about enhancement in the wage ceiling.

A monthly report indicating the additional employees – fresh and re-covered due to enhancement of wage ceiling may be sent to the undersigned in a Performa enclosed so as to reach by 20th of the following month positively. The first such statement should reach Hqrs. Office by 20th November, 2006.

Receipt of this letter may please be acknowledged.

Yours faithfully,

(K. Mishra)
DIRECTOR

Encl: As Above.

The Branch Manager

Sub:- Increase in the wage ceiling from Rs.7, 500/- to Rs.10, 000/- per month for coverage w.e.f. 1.10.2006.

I hereby declare that the under-mentioned employees working in the aforesaid factory/establishment, including employees of the contractor(s), have been brought under the ambit of the ESI Act, 1948 (as amended) consequent upon enhancement of wage ceiling for coverage from Rs.7, 500/- to Rs.10, 000/- per month w.e.f. 1.10.2006 –

S. No.	Name	Ins. No. if earlier covered under the Act	Branch Office to which attached (write N.A. in r/o newly covered employees)	Total amount of monthly salary / wages excluding OTA paid / payable from 1.10.2006	Name of ESI Dispensary / Hospital	Re-marks

The declaration forms of the newly coverable and identity cards of re-entered employees are enclosed for allotment of Insurance number/revalidation of Old Identity Cards/issuance of Duplicate Identity Cards.

Certified that the above particulars are correct in every respect and no employee including part-time/daily rated/contractors' employees have been left out.

Date :
Place :

Name, Designation and signature of
Principal Employer
M/s. _____

ENCLOSURES TO HQRS. OFFICE LETTER NO. X-14/11/1/2004-P&D DATED 29.09.2006

Regional Office/Sub-Regional Office/Divisional Office
ESI Corporation _____

No.

Dated :

M/s. _____

Subject: Enhancement of Wage Ceiling for coverage under the ESI Act, 1948
from Rs.7,500/- to Rs.10,000 per month.

Sir,

The Central Govt. vide notification No.S-38025/9/2006-SS.I dated 22.09.2006 published in the Gazette of India, Extraordinary, Part-II Section 3, Sub-Sec.(i) dated 22.09.2006 has amended Rules 50, and 54 of the ESI (Central) Rules, 1950 w.e.f. 1.10.2006. The salient features of these amendments are as under –

- i) The wage ceiling for coverage of employees under the ESI Act has been enhanced from Rs.7,500/- to Rs.10,000/- per month w.e.f. 01.10.2006. Accordingly, all employees whose wages (excluding remuneration for over-time work) exceeds Rs.7,500/- per month but does not exceeds Rs.10,000/- per month would become coverable under the ESI Act, 1948 w.e.f. 1.10.2006.
- ii) Ten more slabs of daily standard benefit rates have been added in the table of standard benefit rates contained in Rule 54 of ESI (Central) Rules, 1950 enhancing the maximum daily standard benefit rate from Rs.145 to Rs.195. The revised table effective from 1.10.2006 will be as under –

TABLE

Sl.No.	Group of employees whose average daily wages are	Standard Benefit Rate Rs.
1.	Below Rs.28	14 or full average daily wage whichever is less.
2.	Rs.28 and above but below Rs.32	16
3.	Rs.32 and above but below Rs.36	18
4.	Rs.36 and above but below Rs.40	20
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6.	Rs.48 and above but below Rs.56	28
7.	Rs.56 and above but below Rs.60	30
8.	Rs.60 and above but below Rs.64	32
9.	Rs.64 and above but below Rs.72	36
10.	Rs.72 and above but below Rs.76	38
11.	Rs.76 and above but below Rs.80	40
12.	Rs.80 and above but below Rs.88	44
13.	Rs.88 and above but below Rs.96	48
14.	Rs.96 and above but below Rs.106	53
15.	Rs.106 and above but below Rs.116	58
16.	Rs.116 and above but below Rs.126	63
17.	Rs.126 and above but below Rs.136	68
18.	Rs.136 and above but below Rs.146	73
19.	Rs.146 and above but below Rs.156	78
20.	Rs.156 and above but below Rs.166	83
21.	Rs.166 and above but below Rs.176	88
22.	Rs.176 and above but below Rs.186	93
23.	Rs.186 and above but below Rs.196	98
24.	Rs.196 and above but below Rs.206	103
25.	Rs.206 and above but below Rs.216	108
26.	Rs.216 and above but below Rs.226	113
27.	Rs.226 and above but below Rs.236	118
28.	Rs.236 and above but below Rs.250	125
29.	Rs.250 and above but below Rs.260	130
30.	Rs.260 and above but below Rs.270	135
31.	Rs.270 and above but below Rs.280	140
32.	Rs.280 and above but below Rs.290	145
33.	Rs.290 and above but below Rs.300	150
34.	Rs.300 and above but below Rs.310	155
35.	Rs.310 and above but below Rs.320	160
36.	Rs.320 and above but below Rs.330	165
37.	Rs.330 and above but below Rs.340	170
38.	Rs.340 and above but below Rs.350	175
39.	Rs.350 and above but below Rs.360	180
40.	Rs.360 and above but below Rs.370	185
41.	Rs.370 and above but below Rs.380	190
42.	Rs.380 and above	195

You are, therefore, requested to take the following steps for covering employees drawing wages up to Rs.10,000/- per month –

- a) From 1.10.2006, all employees drawing wages exceeding Rs.7,500/- per month but not exceeding Rs.10,000/- per month will become coverable. A list of such persons, in the enclosed Performa, along with their declaration forms may be sent to the appropriate Branch Office, in quadruplicate and a copy endorsed to Regional Office Policy Section for records.
- b) The old insurance numbers of those employees who were earlier covered under the scheme may be indicated in the list, if available, and their old Identity Cards (if available) may also be enclosed. The same will be re-validated by the Branch Manager ESI Corporation. Temporary Identity Cards (TICs) and re-validated Identity Cards/Duplicate Identity Cards will be issued by the Manager, Branch Office of the area across the counter.

In case of any difficulty, you may get in touch with the Manager of the concerned Branch Office or the undersigned.

Please acknowledge a receipt.

Yours faithfully,

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REGIONAL DIRECTOR

Encl: As Above.