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ESIC...Chinta se Mukti No.T.11/13/11/03/2015 Rev.II

Dated: 26.09.2018

To,

All RDs/Director/JD Incharge Regional Office/SROs, /DO

Sub: Extension of the ESI Scheme to Construction Site Workers-reg.

Sir,

ESIC vide its Order dt.31.07.2015 had issued instructions regarding extension of ESI Scheme to construction site workers through which site workers of construction companies were also to be covered under ESI Scheme.

CREDAI and Several Builders filed Writ Petition No.846 of 2016 in the High Court of Bombay at Goa challenging ESIC order dated 31.07.2015. The Hon ble High Court dismissed the writ petition of CREDAI and others vide its order dated 14.03.2017.

The Builder Association of India challenged the extension of ESI Scheme to construction site workers before Hon'ble Supreme Court of India vide SLP No.13351/2018.

Hon'ble Supreme Court of India vide its order dt.06.07.2018 has ordered that "an interim order would be justified in the facts of the present case. Accordingly, the order of the Bombay High Court at Goa dated 14th March 2017 passed in W.P. No. 846 of 2016 as also the Circular dated 31st July, 2015 of the ESIC shall remain stayed until further orders."

Consequently, references have been received on the following points:

- 1. During the stay period whether ESIC contribution may be collected or not in respect of construction site workers.
- During this period of non payment of contribution if any claim for benefit comes in notice of ESIC for construction site workers whether the same is to be accepted or not.

In view of above, it is clarified that no ESI contribution may be collected from the construction site workers and from their employers during the period of stay order by Hon'ble Supreme Court and also no benefits could be extended to such workers during the corresponding benefit period.

This issues with the approval of the Director General.

Yours faithfully

(MOHIT RAJA)

DY, DIRECTOR(REV.)

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