

Applicability of E.S.I. Act in Services / Trading / Non Manufacturing establishment on having 10 and more person w.e.f 01.10.2020 in the state of Maharashtra

We like to inform you that vide notification dated 29.09.2020, ESI becomes applicable to all establishment in the state of Maharashtra who are into service / trading / Non Manufacturing (Please refer class of establishments as per Notification attached) on having 10 and and more person or were employed on any day in the preceding 12 months w.e.f 01.10.2020 .

For your reference we are attaching the following.

1. ESI Draft Notification dated 10.09.2020
2. ESI Final Notification dated 29.09.2020 where reference of above Draft Notification is given.
3. Clarification circular dated 22.11.2002 which clarifies "Shop" include "commercial establishment" too as the main notifications mentions only applicability to "Shops".

Further, please note that we have to register our establishment (to whom ESI Act is applicable) and **where we have ESI covered employees (i.e drawing upto 21000pm) by 10th of Oct'20** and for those who do not have any ESI covered employees by 1st week of Nov'20 so that we can file Nil Challans accordingly before 15th of Nov.

ESI is applicable to all employees whose Gross Salary is upto 21000pm and rate of contribution is 0.75% for employee share and 3.25% for employer share. Due date for filing ESI return cum challan is 15th of every month, else will attract interest and penalty for the delay.

Employees who are falling under ESI Act need to be registered online **within 10 days of their date of joining** and hence we request to please provide the KYC & family information and other details to our team at the earliest to avoid non compliance. ESI is a medical scheme and in the scheme an employee along with his family also gets covered for the medical benefit at the same cost.

PF EDLI Benefit Limit likely to be increased from 6 lakhs to 7 lakhs in case of death of an employee.

Enhanced financial support to family and dependents of PF members, in case of death while in service with continuation of minimum assurance benefit of Rs. 2.5 lakhs, if deceased PF member was employed in multiple establishments during 12 months preceding the month in which they died.

PF e-Nomination (Aadhar Based) & It Process

A member of EPF/ EPS mandatorily has to nominate his nominee for claiming PF, EDLI & Pension amount which stands to the credit of Member on the event of his death.

There are two types of nomination one for claiming PF, EDLI and second for claiming Pension Scheme based on Member Martial status with these sub categories.

1. IF Member is a Bachelor or Spinster and “having family”
2. IF Member is a Bachelor or Spinster with “no family”
3. IF Member is married person.

A fresh Nomination shall be made by member on his marriage and any Nomination made before such marriage shall be deemed to be invalid. Members may nominate their nominees any number of times thru e-Nomination in member portal and the latest nomination only will be valid. Find attached necessary note on how to file e-nomination Online.