

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 98  
TO BE ANSWERED ON 04.12.2023**

**REDUCTION OF CONTRIBUTION IN ESI**

**†98. SHRI RAMCHARAN BOHRA:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Employees' State Insurance Corporation (ESIC) has reduced the Employees' State Insurance (ESI) contributions made by employees and employers;**
- (b) if so, the number of employers benefited from this move;**
- (c) whether the healthcare benefits under the scheme have been changed after reduction in the contribution rate; and**
- (d) if so, the details thereof?**

**ANSWER**

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT  
(SHRI RAMESWAR TELI)**

**(a) to (d): Employees' State Insurance Corporation (ESIC) has reduced the contribution rates w.e.f 01.07.2019 from 6.5% to 4% (employers' contribution reduced from 4.75% to 3.25% and employees' contribution reduced from 1.75% to 0.75%).**

**All the employers covered under the ESIC benefited due to reduction in rate of contribution, as below:**

|                |                    |
|----------------|--------------------|
| <b>2019-20</b> | <b>- 12,36,565</b> |
| <b>2020-21</b> | <b>- 14,82,125</b> |
| <b>2021-22</b> | <b>- 15,94,083</b> |
| <b>2022-23</b> | <b>- 20,83,340</b> |

**ESI Corporation has not changed any health care benefits under the ESI scheme after change in the contribution rate.**

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