

LAWS IN CAPTIVITY

Workers waiting for the enforcement of the social security labor laws in Morbi



A study on compliance with social security laws in the ceramic capital of India.



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Peoples Training and Research Center, Vadodara

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Introduction to the study organization



People's Training and Research Center, established in 1992, is a voluntary organization working on the issue of occupational health and safety. The organization works to create awareness among the society about occupational diseases, impart education on the same, conduct research on the same, identify the victims of the diseases and help them get their legal rights under the Social Security Act. The organization started filing complaints before the National Human Rights Commission from 2010 after the Supreme Court passed an interim order directing the Commission (NHRC) to hear the complaints in this regard in the matter of Public Interest Litigation 110/2006 filed in the Supreme Court regarding silicosis. Between 2010 and 2024, the organization filed complaints before the Commission seeking justice for 285 workers suffering from silicosis and 229 workers who died due to silicosis in Khambhat, Dahod, Jambusar, Chhota Udepur, Morbi, Surendranagar and Rajkot districts. The state of Gujarat has made a scheme to provide financial assistance to the families of workers who died due to silicosis. From 2019, PTRC started working with silicosis patients in Surendranagar, Morbi and Rajkot districts to identify them and get them social justice. The organization decided to conduct this study when some workers approached the organization for help in treatment.

Background:

1. ESI Act:-

The Employment Insurance Act, 1948 is one of the important laws to provide social security to workers in manufacturing and some other sectors. This Act is applicable to the specified geographical areas. To extend its services to new geographical areas, the State Government publishes a notification under the Act in consultation with the Employment Insurance Corporation. The State Government decides to which areas it wants to extend the Act. In some states, private health care providers and private school workers are also covered while in some states including Gujarat, apart from manufacturing sector; cinemas, newspapers and shops are also covered. This Act is applicable to units employing 10 or more workers. In the units where it is applicable, workers earning wages up to Rs. 21000/- are covered. Both the workers and the employers contribute towards the premium of the insurance. Workers contribute 1% of their wages while employers contribute 3% of the wage bill.

Though it is mandatory for the areas notified by the Central Government, many employers do not cover all the workers employed but cover few selected workers.

2. The Act defines employees as under:

(9) "employee" means any person employed for wages in or in connection with the work of a factory or establishment to which this Act applies and-

(i) who is directly employed by the principal employer on any work of, or incidental or preliminary to or connected with the work of, the factory or establishment whether such work is done by the employee in the factory or establishment or elsewhere; or

(ii) who is employed by or through an immediate employer on the premises of the factory or establishment or under the supervision of the principal employer or his agent on work which is ordinarily part of the work of the factory or establishment or which is preliminary to the work carried on in or incidental to the purpose of the factory or establishment; or

(iii) whose services are temporarily lent or let on hire to the principal employer by the person with whom the person whose services are so lent or let on hire has entered into a contract of service;

14[and includes any person employed for wages on any work connected with the administration of the factory or establishment or any part, department or branch thereof or with the purchase of raw

materials for, or the distribution or sale of the products of, the factory or establishment 15[or any person engaged as an apprentice, not being an apprentice engaged under the Apprentices Act, 1961, or under the standing orders of the establishment; but does not include]]-

(a) any member of 16[the Indian] naval, military or air forces; or 17[(b) any person so employed whose wages (excluding remuneration for overtime work) exceed 18[such wages as may be prescribed 136 by the Central Government]]:

PROVIDED that an employee whose wages (excluding remuneration for overtime work) exceed 18[such wages as may be prescribed by the Central Government] at any time after (and not before) the beginning of the contribution period, shall continue to be an employee until the end of that period;]

The Act defines Factory as under:

(12) “Factory” means any premises including the precincts thereof whereon ten or more persons are employed or were employed on any day of the preceding twelve months, and in any part of which a manufacturing process of being carried on or is ordinarily so carried on, but does not include a mine subject to the operation of the Mines Act, 1952 or a railway running shed;’.

Reading these definitions, all the workers in Than are eligible to be covered under the Act.

Notification no. GF/14/??/1988/??/??/CH (“?” indicates illegible) dated 23/03/1988 reads as under:

Now, therefore in exercise of the powers conferred by Sub section (5) of Section (1) of Employees State Insurance Act, 1948 (34 of 1948) the Government of Gujarat in consultation with the Employees State Insurance Corporation, New Delhi and with the Approval of the Central Government hereby appoints 1st April 1988 as the date on which all provisions of the said Act shall extend to the classes of establishment and in areas as specified in the schedule annexed hereto.

Column 2 in the Schedule is titled as “Areas in which the establishments are situated.” In this column at (XVIII), The areas comprised within the Nagar Panchayat and revenue limits of Thangadh and in the Gram Panchayat and revenue limits of Thangadh and in the Gram Panchayat and Revenue limit of village Amrapar and Jamwadi of Chotila taluka, district Surendranagar.”

The areas covered under the Act of Morbi district under Section 1(3) in the state of Gujarat are as follows.

Municipal limits of Morbi (Morbi) Municipality

Bhadiyad and Trajpar villages of Morbi (Morbi) Taluka

- Areas falling within the limits of Wankaner Municipality
 - Hasanpur, Ta. Wankaner,
 - Areas falling within the revenue and panchayat limits of Mahendranagar taluka,
1. Villages of Nani Vavdi, Ghuntu, Lalpar, Dharampur, Lakhdirpur, Panchasar, Dhunda, Lilapar, Jodhapar, Timbdi, Pipli, Rajpar, Shanala (Shakat), Taluka Morbi, Gram Panchayat limits of District Rajkot.
 2. Areas of Ravapar and Madhapar in the municipal limits of Morbi.
 3. Area of Rafaleshwar including GIDC Rafaleshwar, Jambudiya Gram Panchayat, Taluka Morbi.

3. Provident Fund Act

Provident Fund is an important social security law. The Act is applicable to the units employing 20 or more workers. For private sector workers there is no provision for pension after they retire due to age. For them under PF Act there is provision to pay them some amount of pension depending on the total amount they may have contributed from their wages to the PF Fund.

4. Payment of wages Act

Under the Minimum Wages Act and Contract Labour (Regulation and Abolition) Act there are provisions to issue pay slip to the workers. The pay slip will show the name of the employer, address and contact details as well as wages earned. It will show the numbers of days worked for which wages are being paid. It will separately show the overtime wages paid. It will show the numbers of leaves with pay and without pay. It will also show statutory deductions like ESI contribution and PF contribution. It will also show deduction of the loan installments, if any. It will also show the fine levied, if any. It is important employment evidence.

5. Hazards of Ceramic workers:

Ceramic workers encounter a number of hazards that place them at greater risk of disease. For more than one hundred years it has been well documented that ceramic workers experience higher rates for silicosis, Tuberculosis (TB) and lead poisoning.

The composition of ceramic products range up to 50% silica and exposures to this hazard occur throughout the production process. Workers in this industry are exposed to significant levels of silica dust from handling clay and also from lead used in ceramic glazes applied to these products. Studies conducted in the United States, Japan, Korea, Tunisia, and Mexico have demonstrated that ceramic workers have elevated blood lead levels at concentrations associated with significant health effects. Lead exposures in this industry were observed among spray painting, glazing, and kiln workers.

Ceramic workers are exposed to high levels of respirable silica dust. One study from Taiwan reported airborne respirable silica levels ranging up to 1763.3 $\mu\text{g}/\text{m}^3$ in ceramic factory workers with glazers, molding and granulation workers experiencing the highest exposures (Liao CM, et al. 2015). Another study from the U.S. found geometric mean respirable silica exposures ranging from 130 to 220 $\mu\text{g}/\text{m}^3$ in ceramic factory workers with glaze sprayers experiencing the highest exposures (Cooper et al. 1993). In contrast, the current U.S. Permissible Exposure Limit is 50 $\mu\text{g}/\text{m}^3$.

Need and Importance of the Study

For the last 3 years, PTRC Morbi has been continuously working to create awareness about silicosis, find silicosis patients and ensure that workers affected by silicosis get compensation and their families are not deprived of basic necessities.

Many of the silicosis affected workers found in the 3 years of work were working in areas covered under the ESI Act and their salary was less than Rs. 21000/- but due to lack of implementation of the law, they could not get the benefits under the ESI Act. Moreover, due to lack of sufficient proof of employment, they could not claim compensation under the Workers' Compensation Act.

Therefore, the organization decided to study the implementation of the Social Security Act

Information obtained from ESI under RTI Act

Response from ESIC Morbi, Wankaner and Ahmedabad offices to RTI application filed by the researcher:

- I. In the reply to an RTI dated 2019, it was stated that 5,019 workers are registered with Morbi local office as per ESI Act.
- II. In the reply to RTI filed on 24/08/2023, we were told that 554 units are registered with Morbi till 09/10/2023. Researcher was told that they did not have the number of workers working in them.
- III. In the RTI filed on 02/09/2024, there were 5 issues. Out of which, the application was transferred to ESI Corporation, Ahmadabad for the reply to issue no. 1 and 2. As no reply was received for 30 days, the first appeal was filed on 11/10/2024. In issue no. 2, the Public Information Officer did not respond to the list of units in Morbi district where ESI is deducted and the copy of the last RC we had asked for, saying it was “not clear”. The Appellate Officer replied to the researcher that the reply was given on 10/10/2025.
- IV. The reply to issues no. 3 and 4 was received from the Morbi local office of the ESI Corporation as follows:
 - Temporary disability benefit for accidents was paid to 8 IPs (insured persons) during January-2023 to August, 24.
 - Permanent disability benefit for accidents was paid to 170 IPs (insured persons) from January-2023 to August-24
 - Temporary disability benefit for occupational diseases was paid to 0 IPs (insured persons) from January-2023 to August-24
 - Permanent disability benefit for occupational diseases was paid to 0 IPs (insured persons) from January-2023 to August-24
- V. The reply to the issue number 3 and 4 was received by the Wankaner Local Office of ESIC as follows:
 - Temporary disability benefit for accidents was paid to 2 IPs (insured persons) from January-2023 to August-2024.
 - Permanent disability benefit for accidents was paid to 121 IPs (insured persons) from January-2023 to August-2024.

- Temporary disability benefit for occupational diseases was paid to 0 IPs (insured persons) during January-2023 to August-2024.
- Permanent disability benefit for occupational diseases was paid to 2 IPs (insured persons) during January, 23 to August-2024.

ESI law is applicable to Than Industrial Area but there is no local office there. Than workers have been linked to Wankaner Local Office. This means that two IPs (insured persons) of Than have received permanent disability benefit i.e. compensation for silicosis during the period from January 23 to August 24 but no one has received benefit for silicosis in Morbi.

VI. The researcher filed an RTI on 22/02/2025 in which in response to issue no. 1 to 3, he was asked to come anytime for inspection as the information is in bulk.

In issues no. 1 to 3, the researcher had sought a list of units covered under the ESI Act in Morbi district along with a copy of their last Return of Contribution (RC) and also sought information on whether any legal action has been taken against any unit in Morbi district for violating the provisions of the ESI Act. The units have to fill in the RC with details of the ESI contribution deducted from the salary of the worker and deposited in the corporation for 6 months - name, ESI number, amount deducted etc.

On 04/03/2025, in response to the researcher's RTI issue No. 6 stated that as per the Employer Muster Register, 264 units are registered in Morbi district. Earlier, it was stated that 554 units were registered in Morbi till 09/10/2023. So, did 290 units close during the period 2023 to 2025?

When the researcher went to inspect the documents in relation to the issues No. 1 to 3 on 28/03/2025, he was given a list of units registered under the ESI Act in Morbi district, according to which 628 units were registered in the district.

In 2019, 5019 workers were registered under the ESI Act with the Morbi Local Office. After that, will they not have the number of workers in 2023?

VII. RTI reply received from Morbi ESIS Dispensary

| | | | | | | | |
|---------------------------|------|------|------|------|------|------|------|
| Year | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Nos of new IPs registered | 131 | 196 | 196 | 127 | 1090 | 92 | 54 |
| Year | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Monthly average OPD | 1065 | 1152 | 1028 | 862 | 1090 | 826 | 450 |

According to the 2023 RTI response, there are 4 sanctioned posts of medical officers in the dispensary but all the posts are vacant.

Looking at the above figures, it is understood that from 2017 to 2020, an average of 162 new workers are registered in the insurance hospital, but in 2021, that number suddenly increases tenfold. In a single year, 1,090 new workers are registered. In the next two years, that number seems to be continuously decreasing and in 2023, only 54 new workers are registered. However, this does not provide any information about the total number of registered workers in this hospital.

The number of workers coming to the hospital for treatment is also decreasing. The monthly average OPD, which was 1,065 in 2017, has decreased by half to 450 in 2023. Why did this happen? The joyous

thing is considered that the health of insurance workers and their families has improved so much that they do not need to go to the ESI dispensary! This figure can also be seen in the way that the service in the dispensary is so poor that insurance workers do not prefer to go there for treatment. But how can we know if it is true? Does the Office of the Director of ESI Scheme feel the need to find out the truth of this statistic? These statistics are extremely worrying. Taking contributions from the wages of workers to provide services and not fulfilling the promise of providing good quality services is a sign of poor governance. The workers' civic committee should take up such work.

It should be noted that the workers of ceramic units in Morbi are not unionized. If they were organized, the unions would have solved the wage problems through collective bargaining, coverage under the Social Security laws and violation of other labor laws.

Acknowledgements

The organization thanks all the 2000 respondents who participated in this study, all the volunteers who participated in the survey work and the staff of the organization who participated in the study. Thanks to the volunteers who entered the data. The data analysis work has been done by Mr. Chirag Chavda. This report has been prepared by Mr. Chirag Chavda and Jagdish Patel. We thank Dr. Anandi Patel for going through the draft and give valuable comments.

Introduction to the study area

Morbi - Ceramic Capital of India

Morbi district is known for its ceramic industry in the world.

Morbi alone produces 90% of the ceramic production of the whole of India. There are an estimated more than 1500 ceramic units in Morbi. It provides employment to more than 4 lakh workers. Workers who come into contact with very fine particles of silica in the ceramic industry are at risk of contracting a fatal disease called silicosis and in addition, the chances of such workers getting TB are 4 times more than the general population. While working with these workers, PTRC learn that although the area is covered under the ESI Act, many workers are not covered under the Act. ESI contributions are not deducted from their wages. PTRC also came across workers who were forced out of the labour market due to silicosis. They are unable to work due to breathing problems and other health complaints and are forced to take early retirement. In such a situation, there is no mechanism available to meet the medical expenses they incur or to compensate them for the damage done to their lungs. These workers are deprived of their right to social security and are waiting for any benevolent help from any source.

In Morbi, the researcher had in their mind workers who have silicosis and who were working in a unit in an area covered under the ESI Act where more than 10 workers are employed and are eligible to take the benefits of the ESI Act as they are earning wages within the limits of the ESI Act, but are not covered under the ESI Act.

Most workers in Morbi are paid on a piece rate basis and not daily basis and many employers do not consider the workers as their employees as they are considered to be employed by a contractor but these so called contractors who have not obtained a license under the Contract Labour (Regulation and Abolition) Act, 1970. No matter how many hours they work, they do not have to pay any overtime. Workers can enjoy as many holidays as they want at their own expense! Officially no weekly holiday is given. Interestingly, some workers informed the researcher that they themselves hire work from the employer and to complete that work, they hire one or more helpers besides themselves and their family and the helpers are paid by them and not by the employer! So, this is a complex situation.

Summary of the report

Peoples Training and Research Centre (PTRC) conducted a study to understand whether the workers working in the units located in the areas covered under the ESI Act of Morbi district are covered under the said Act. The Employees' State Insurance (ESI) Act and the Provident Fund Act are two important social security laws in India. The purpose of this study was to check whether the workers working in the units located in the areas covered under the ESI Act are eligible to avail benefits under these Acts and whether they are covered under these Acts. The study found that all the 2000 respondents who participated in this study are eligible to avail benefits under these Acts. Out of the workers who participated in this study, 7.35% respondents claim to have covered under the ESI Act and 8.10% under the PF Act. As per the legal provisions, 10.10% respondents are given salary slips. However, the worker does not even know what a salary slip is. One worker even considered the card used to keep track of his work as a salary receipt! Moreover, some showed the salary slip but did not find the any official stamp or signature on it. 89.90% of the respondents said that they are not given a legal salary receipt. It is seen that migrant workers are exploited more than local workers. Here, out of a total of 2000 respondents, 1121 (56.05%) were migrant workers. Out of these, only 40 (3.55% of migrant workers and 2% of total respondents) respondents have their ESI contribution deducted from their salary. Another 879 (43.95%) respondents were local workers, out of which 107 (12.17% of local workers and 5.35% of total respondents) respondents have their ESI contribution deducted from their salary. Similarly, exploitation of female workers is seen to be more as compared to male workers. Equal work, equal pay law is not followed.

Out of 2000 respondents, 1729 (86.45%) respondents were from ceramic units, 271 (13.55%) respondents were from manufacturing sectors other than ceramic and service sector. Out of 2000 respondents, 63 (3.15%) have taken treatment for TB, out of which 62 respondents were workers in ceramic units.

Objectives

Objectives of this exercise was to-

- Study ESI coverage.
- Study coverage of PF Act.
- Study issuance of pay slip
- Study pattern of sickness and diseases.

Study Universe and Sample Selection

Universe:

The universe for this study was - all workers working in ceramic units, coal (storage, crushing and selling units) units, packaging units, and minerals units, malls, and hospitals (contract workers in government hospitals) employing more than 10 workers in the areas covered under the ESI Act in Morbi. An estimated 1,00,000 workers were our universe from which we had to select a sample. A sample size of 2000 including male and female workers was decided.

Sample Selection:-

Workers who were willing to give informed consent were randomly selected from among the workers in the study universe. They were discussed about the purpose of the study, given an explanation of what the ESI Act is, and given a specially published leaflet on the ESI Act provisions and written consent was obtained. It can be seen from the table below that the 2000 respondents represent 290 units in Morbi and Wankaner.

Table - 1

| NO of respondents | No of units | Total |
|-------------------|-------------|-------|
| 1 | 84 | 84 |
| 2 | 49 | 98 |
| 3 | 18 | 54 |
| 4 | 25 | 100 |
| 5 | 20 | 100 |
| 6 | 13 | 78 |
| 7 | 10 | 70 |
| 8 | 8 | 64 |
| 9 | 10 | 90 |
| 10 | 6 | 60 |
| 11 | 4 | 44 |

| NO of respondents | No of units | Total |
|-------------------|-------------|-------------|
| 12 | 1 | 12 |
| 13 | 3 | 39 |
| 14 | 3 | 42 |
| 15 | 3 | 45 |
| 16 | 2 | 32 |
| 17 | 4 | 68 |
| 18 | 1 | 18 |
| 19 | 1 | 19 |
| 20 | 1 | 20 |
| 21 | 2 | 42 |
| 23 | 3 | 69 |
| 25 | 1 | 25 |
| 26 | 3 | 78 |
| 27 | 1 | 27 |
| 28 | 1 | 28 |
| 29 | 1 | 29 |
| 30 | 1 | 30 |
| 32 | 1 | 32 |
| 39 | 1 | 39 |
| 41 | 1 | 41 |
| 42 | 2 | 84 |
| 43 | 1 | 43 |
| 45 | 1 | 45 |
| 46 | 1 | 46 |
| 48 | 1 | 48 |
| 61 | 1 | 61 |
| 96 | 1 | 96 |
| Total | 290 | 2000 |

The above table shows the spread of respondents and the density or concentration per unit. The density of respondents in different units ranges from 1 to 96. 1 respondent from different 84 units participated in the study and 2 respondents from 49 different units participated.

Study Methodology

A simple questionnaire was prepared for the study and finalized after field testing (See Appendix - 1). Along with this, a consent form was prepared to obtain informed written consent. (See Appendix - 2). A leaflet providing information about the ESI Act was prepared in Gujarati and keeping in mind the large number of Hindi speaking migrant workers in Morbi, the leaflet was also printed in Hindi. Most of the workers do not fully understand the importance of being covered under the ESI Act. We explained the benefits of the Act and its clauses to each participant in advance. PTRC also assured them of the confidentiality of the information provided by them.

Study Tool



PTRC kept the interview tool simple and short. While conducting the survey, it was necessary for the researcher to determine whether the ESI Act was applicable to the unit as well as to the individual respondent. To check this, it was necessary to know whether the unit was located in the specified geographical area or not, whether the unit employed more than 10 workers and whether the individual respondent earned a salary of Rs. 21,000/- or less. Therefore, questions related to the location of the unit, the number of workers usually working in the unit and the salary paid to the respondent were included in the tool.

The researcher wanted to prepare the college students to join the study as volunteers to fill the questionnaire. For this, an advertisement was put up on the notice board in the government college of Morbi. We did not receive any response from any student within the stipulated time frame. We met more than 20 contractors working in ceramics in Morbi through our available staff, out of which only 2 contractors agreed to help in this work. Employees of a voluntary organization working in Morbi agreed to help in the survey work in their personal capacity. A team of silicosis sufferers and workers working in ceramics was formed and a total of 14 people started the ESI survey of 2000 workers. We started meeting the workers in early February, 2025. It took us 4 months to complete the survey. After that, the necessary information for the questionnaire was collected. We were successful in motivating 2000 respondents to voluntarily join this study.

The question was where to interview the workers for the survey. Local workers living in the village can be met at their homes. But migrant workers living in the factory complex, it is not possible to meet them inside the unit. So we had to wait for them to interview them when they would step outside the factory premises for their personal work. After data collection, the data was fed into an MS Excel sheet and analyzed.

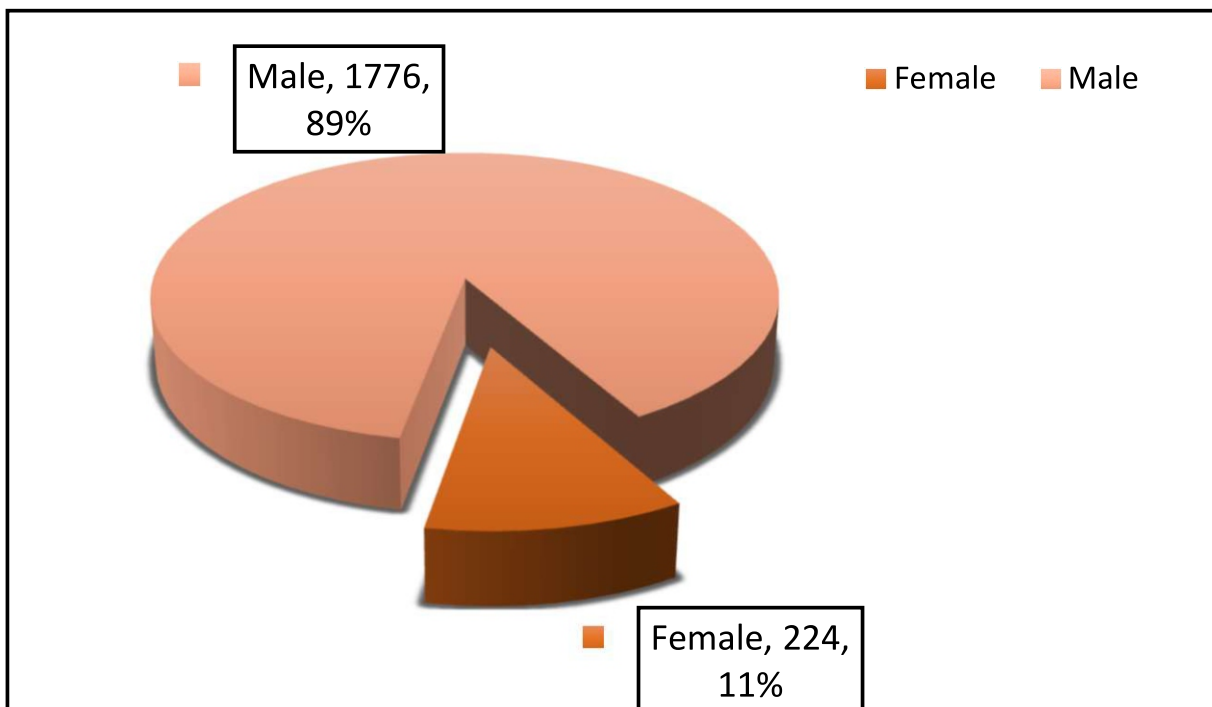
Data Analysis

1. Gender:-

Out of 2000 respondents, 1776 (88.8%) were male and 224 (11.2%) were female workers.

Table - 2

| Sex | No Of Respondents | Percentage |
|--------|-------------------|------------|
| Male | 1776 | 89% |
| Female | 224 | 11% |
| Total | 2000 | 100% |

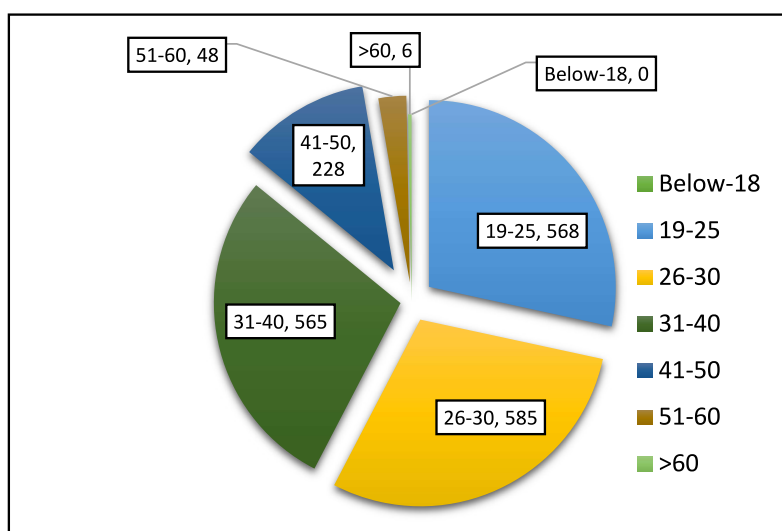


2. Age:

Most of the respondents were in the age group of 18-30 years. Out of 2000, 1,153 (57.65%) were 30 years or younger. It is a good sign that there were no respondents below 18 years. But a total of 17 respondents were 18 years old, including 14 males and 3 females. The highest number of respondents, 585 (29.25%), were in the age group of 26-30 years, and only 6 respondents were in the age group of 60 years and above, and all of them were males.

Table - 3 Age of the respondents

| Age Group | Male | Female | Total |
|-----------|------|--------|-------|
| Below-18 | 0 | 0 | 0 |
| 19-25 | 491 | 77 | 568 |
| 26-30 | 533 | 52 | 585 |
| 31-40 | 510 | 55 | 565 |
| 41-50 | 192 | 36 | 228 |
| 51-60 | 44 | 4 | 48 |
| >60 | 6 | 0 | 6 |
| Total | 1776 | 224 | 2000 |



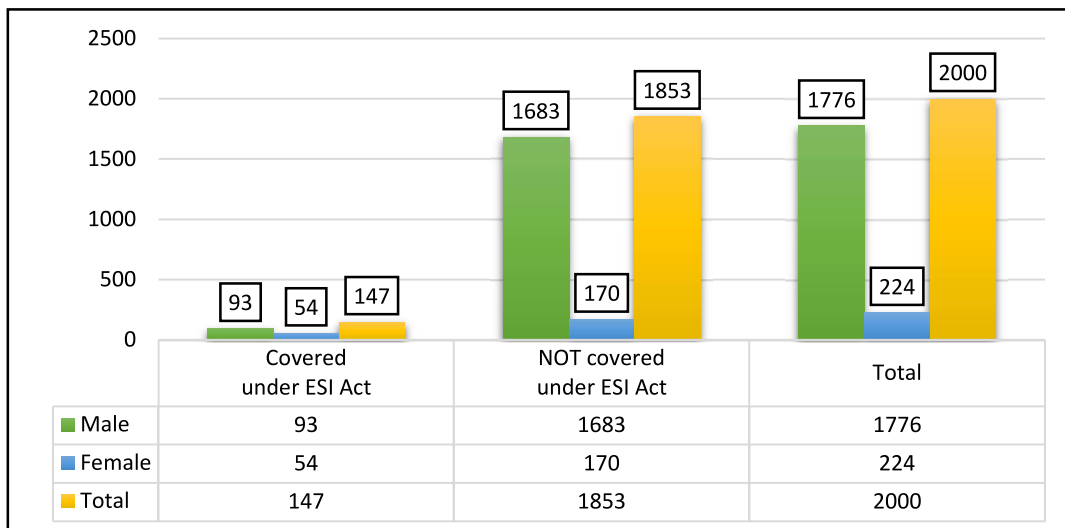
3. Areas covered under ESI Act:-

The entire Morbi district is not yet covered under ESI Act. It was important for the researcher to know whether the respondents are working in a unit located in the notified area under the ESI Act. A list of areas covered under this Act in Morbi district can be seen on page 4 in the background section above.

4. Respondents with ESI Contribution Deductions:-

Table - 4 Respondents working in the units in the areas covered by the ESI Act

| Category | Male | Female | Total | Percentage % |
|---------------------------|------|--------|-------|--------------|
| Covered under ESI Act | 93 | 54 | 147 | 7.35% |
| NOT covered under ESI Act | 1683 | 170 | 1853 | 92.65% |
| Total | 1776 | 224 | 2000 | 100% |



1853 (92.65%) respondents from 263 (90.68%) units said that contribution is not deducted from their salary. 147 (7.35%) respondents from 27 (9.31%) units said that ESI contribution is deducted from their salary.

Out of 1853 respondents, 1683 (90.83%; 84.15% of total respondents under study) are male and 170 (09.17%; 8.5% of total respondents under study) are female. They are in the age group of 18 to 60+ years. They have been working in the respective unit from 2005 to 2025 i.e. from 6 months to 20 years.

The 263 (90.68%) units where contribution is not deducted include 222 units from ceramic sector, 37 units from manufacturing sector and 4 units from service sector.

Table - 4 (A) Numbers of workers employed by the units not enforcing ESI Act

| Numbers of workers employed | Service Sector | Manufacturing other than ceramic | Ceramic sector |
|-----------------------------|----------------|----------------------------------|----------------|
| 50 or less | 0 | 0 | 0 |
| 11 - 50 | 3 | 15 | 10 |
| 51 - 100 | 0 | 2 | 26 |
| 101 - 150 | 1 | 15 | 31 |
| 151 - 200 | 0 | 1 | 70 |
| 201 - 300 | 0 | 4 | 37 |
| 301 - 400 | 0 | 0 | 23 |
| 401 - 500 | 0 | 0 | 9 |
| 501 - 700 | 0 | 0 | 9 |
| 701 - 1000 | 0 | 0 | 5 |
| More than 1000 | 0 | 0 | 2 |
| TOTAL | 4 | 37 | 222 |

Table - 4 (B) Numbers of workers employed by the units partially enforcing ESI Act

| Numbers of workers employed | Service Sector | Manufacturing other than ceramic | Ceramic sector |
|-----------------------------|----------------|----------------------------------|----------------|
| 50 or less | 0 | 1 | 0 |
| 51 - 100 | 1 | 0 | 0 |
| 151 - 200 | 1 | 0 | 0 |
| 201 - 300 | 0 | 0 | 4 |
| 301 - 400 | 0 | 0 | 6 |
| 401 - 500 | 0 | 0 | 4 |
| 501 - 700 | 0 | 0 | 6 |
| 701 - 1000 | 0 | 0 | 3 |
| More than 1000 | 0 | 0 | 1 |
| TOTAL | 2 | 1 | 24 |

Thus, in this study, 27 units partially implementing the ESI Act include 24 units from the ceramic sector, 1 unit from the manufacturing sector and 2 units from the service sector. Most of these 27 - 24 units - employ around 201 to 1000 workers, i.e. they are large units.

Out of a total of 2000 respondents who participated in the study, 1776 are male respondents, of whom only 93 (5.24%) and out of a total of 224 female respondents, 54 (24.1%) are covered under the ESI Act. The difference is only 5.24% among males and 24.1% among females, which is a significant difference and may lead to the conclusion that the owners are more biased towards female workers, but that conclusion is misleading. Out of the women involved in this study, 27.11% work in the service sector. There are a total of 115 respondents in the service sector, of whom 53% are women. The study found that the implementation of social security laws is better in the service sector than in the other two sectors.

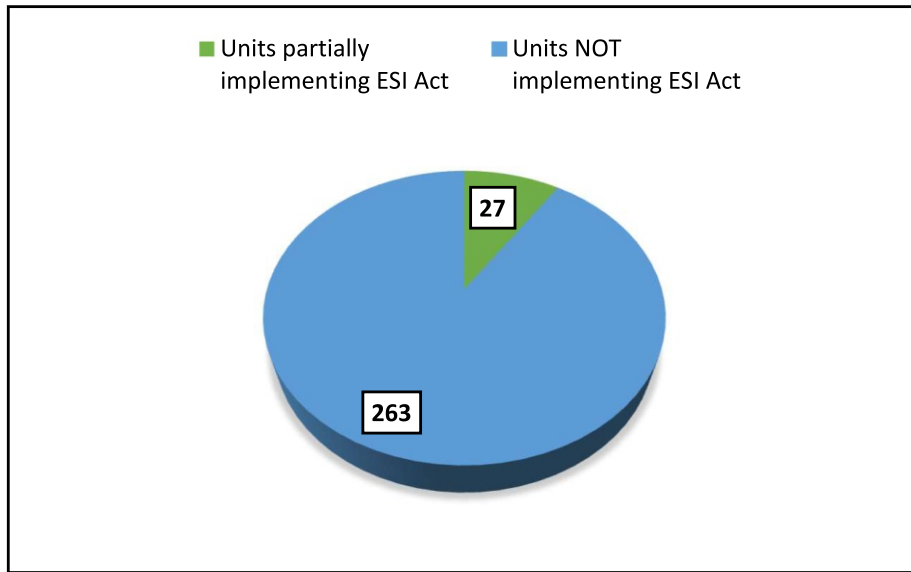
The 147 respondents whose ESI contribution is deducted from their salary earn a salary of Rs 8,000 or more and up to Rs 21,000. 6 (4%) respondents earn less than Rs 10,000. 90 (61.22%) respondents earn more than Rs 10,000 and less than Rs 15,000. The remaining 51 (34.69%) respondents earn more than Rs 15,000 and less than Rs 21,000.

5.Units partially implementing ESI Act :-

The researcher found only 27 units out of total 290 implementing ESI Act. Out of these 27 units, except 2 units, 25 units were found implementing both these (ESI and PF) Acts. ESI contribution of 147 respondents is deducted from their salary. These 145 respondents out of 27 units are general who claim to be availing the benefits of both the Acts. Out of 162 respondents availing the benefits of PF Act, 17 respondents are not covered under ESI Act. On the other hand, 147 respondents are covered under ESI Act, but 2 respondents are not covered under PF Act.

Table - 5 Units partially implementing ESI Act

| | | |
|--------------------------------------|------------|-------------|
| Units partially implementing ESI Act | 27 | 9.31% |
| Units NOT implementing ESI Act | 263 | 90.69% |
| Total | 290 | 100% |



6. Is PF contribution deducted from the wages?

The study found only 37 units partially complying with the PF Act. The study found 162 respondents who informed that PF contribution is deducted from their wages. 91.09% of the respondents said that PF contribution is not deducted from their salary.

Out of 162 respondents who are getting the benefits of PF Act, 17 respondents are not covered under ESI Act. While out of 147 who are covered under ESI Act, 2 respondents are not covered under PF Act.

The unit which provides the benefits of one Act but does not want to provide the benefits of ESI Act, only that unit can explain what is the reasoning or logic behind it. Manufacturer associations can motivate them to comply with both the social security laws.

Table - 6 Units partially implementing PF Act

| | | |
|-------------------------------------|------------|-------------|
| Units partially implementing PF Act | 37 | 12.76% |
| Units NOT implementing PF Act | 253 | 84.24% |
| Total | 290 | 100% |

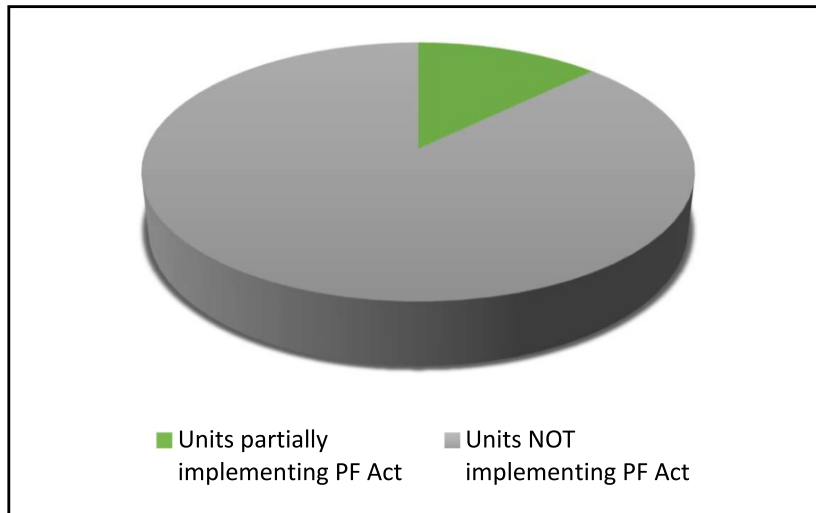


Table - 7 Respondents covered under PF Act

| Category | Male | Female | Total |
|--------------------------|------|--------|-------|
| Covered under PF Act | 107 | 55 | 162 |
| Not covered under PF Act | 1669 | 169 | 1838 |

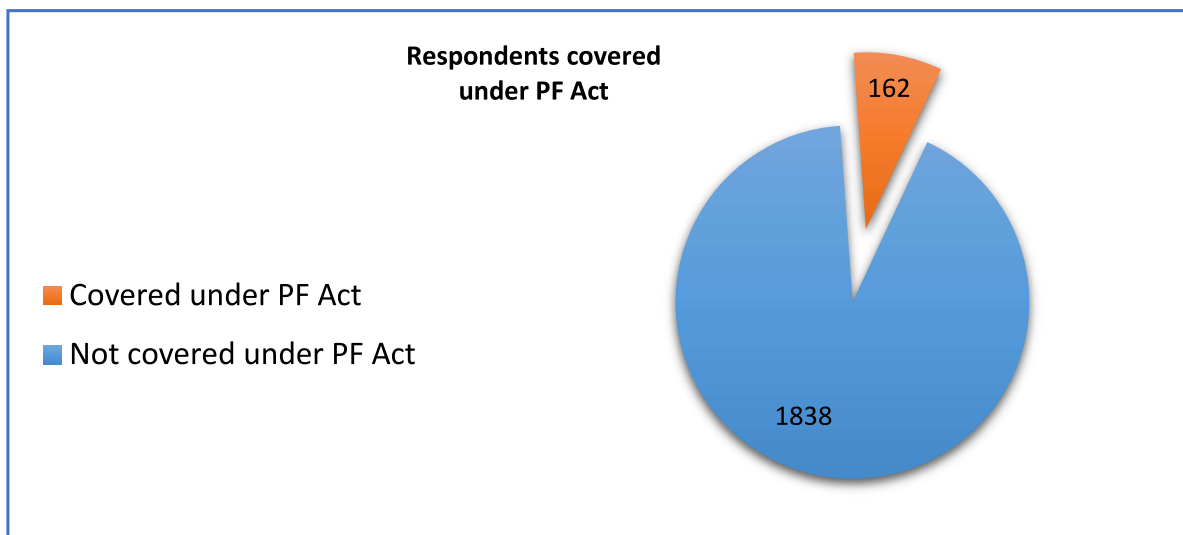


Table - 8 Units implementing both - PF And ESU Act

There are a total of 37 units in which the PF Act is partially enforced. But how the ESI and PF Act are implemented in 15 of those 37 units can be seen from the table below.

Code names have been given to hide the real names of the units.

| NO | Name of the unit | Total no of respondents in this study | Numbers of respondents covered under ESI Act | Numbers of respondents not covered under ESI Act | Numbers of respondents covered under PF Act | Numbers of respondents not covered under PF Act | Remarks |
|----|------------------|---------------------------------------|--|--|---|---|--|
| 1 | A | 96 | 94 | 2 | 94 | 2 | Respondents are same who are covered under both the laws |
| 2 | B | 7 | 6 | 1 | 7 | 0 | One respondent is not covered by the ESI Act |
| 3 | C | 42 | 7 | 35 | 7 | 35 | Respondents are same who are covered under both the laws |
| 4 | D | 41 | 1 | 40 | 5 | 36 | Only 1 respondent is getting benefit of both laws while 5 respondents are covered under PF Act |
| 5 | E | 43 | 4 | 39 | 4 | 39 | Respondents are same who are covered under both the law |
| 6 | F | 15 | 3 | 12 | 3 | 12 | Respondents are same who are covered under both the law |
| 7 | G | 17 | 3 | 14 | 3 | 14 | Respondents are same who are covered under both the law |
| 8 | H | 12 | 0 | 12 | 3 | 9 | Not a single respondent is covered under ESI Act but 5 respondents are covered under PF Act |
| 9 | I | 13 | 2 | 11 | 2 | 11 | Respondents are same who are covered under both the law |
| 10 | J | 7 | 2 | 5 | 2 | 5 | Respondents are same who are covered under both the law |
| 11 | K | 14 | 2 | 12 | 2 | 12 | Respondents are same who are covered under both the law |
| 12 | L | 10 | 2 | 8 | 2 | 8 | Respondents are same who are covered under both the law |
| 13 | M | 8 | 2 | 6 | 2 | 6 | Respondents are same who are covered under both the law |
| 14 | N | 23 | 2 | 21 | 2 | 21 | Respondents are same who are covered under both the law |
| 15 | O | 29 | 2 | 27 | 2 | 27 | Respondents are same who are covered under both the law |
| | | 377 | 132 | 245 | 140 | 237 | |

More than 150 workers work in Unit B and out of them 7 respondents participated in this study, out of which 6 respondents have their ESI contribution deducted. 1 respondent has no ESI contribution

deducted. According to the information received under the Right to Information Act, legal action has been taken against this unit earlier for not deducting ESI contribution from the salary and depositing the amount in the ESI Corporation. This unit had not deposited ESI contribution from July - 2015 to September 2024.

41 respondents from Unit D participated in this study, in which only 1 respondent gets ESI and 5 respondents get PF benefits. Further investigation into this did not reveal any specific reason why this unit gives the benefit of both ESI and PF to a single worker and excludes all others. It is also surprising that the respondent who gets the benefit of both the laws is a hapless migrant worker.

7. Discrimination in enforcing law :-

The units seem to be discriminating against their workers in the implementation of the law. In the above table, it is seen that 147 respondents work in 27 different units. ESI contribution is deducted from their salary. In the following table, we will see the behavior of these units towards their workers.

Table - 8 (A)

| <i>Name of the unit</i> | <i>Nos. of workers they generally employ</i> | <i>No. of respondents saying ESI is not deducted from their wages</i> | <i>No. of respondents saying ESI is deducted from their wages</i> | <i>Total no. of respondents in this study</i> |
|-------------------------|--|---|---|---|
| <i>A</i> | 51-100 | 2 | 94 | 96 |
| <i>B</i> | 201-300 | 1 | 6 | 7 |
| <i>C</i> | 11-50 | 0 | 1 | 1 |
| <i>D</i> | 401-500 | 1 | 1 | 2 |
| <i>E</i> | 401-500 | 39 | 4 | 43 |
| <i>F</i> | 500-700 | 40 | 1 | 41 |
| <i>G</i> | 301-400 | 11 | 2 | 13 |
| <i>H</i> | 701-1000 | 12 | 3 | 15 |
| <i>I</i> | 500-700 | 5 | 2 | 7 |
| <i>J</i> | 301-400 | 14 | 3 | 17 |
| <i>K</i> | 151-200 | 24 | 1 | 25 |
| <i>L</i> | 401-500 | 12 | 2 | 14 |
| <i>M</i> | 401-500 | 1 | 1 | 2 |
| <i>N</i> | 201-300 | 0 | 1 | 1 |
| <i>O</i> | 500-700 | 8 | 2 | 10 |
| <i>P</i> | 500-700 | 3 | 1 | 4 |
| <i>Q</i> | 500-700 | 6 | 2 | 8 |

| | | | | |
|-----------|----------|----|---|----|
| <i>R</i> | 301-400 | 41 | 1 | 42 |
| <i>S</i> | 301-400 | 1 | 1 | 2 |
| <i>T</i> | >1000 | 3 | 1 | 4 |
| <i>U</i> | 500-700 | 4 | 1 | 5 |
| <i>V</i> | 701-1000 | 21 | 2 | 23 |
| <i>W</i> | 701-1000 | 27 | 2 | 29 |
| <i>X</i> | 201-300 | 9 | 3 | 12 |
| <i>Y</i> | 301-400 | 35 | 7 | 42 |
| <i>Z</i> | 201-300 | 5 | 1 | 6 |
| <i>A1</i> | 301-400 | 1 | 1 | 2 |

Under the ESI Act, the units may have made their own criteria as to who should be given the benefit of the ESI Act, who should be given the benefit of the PF Act and who should be excluded. Units C and N are commendable. At least in this study, these two units do not appear to be discriminating against their workers. The remaining 25 units, whether small or large, are discriminating against their workers. There is a widespread belief among the workers that only those who are permanent workers will get the benefits of the social security laws.

8. Implementation of these laws in ceramic manufacturing, non-ceramic manufacturing units and service sector:-

2000 respondents represent 290 units. Out of these, 246 units are ceramic manufacturing units, 38 are other manufacturing units and 6 are service sector units (hospitals, malls etc.)

Table – 9

| Category | UNIT | % |
|-------------------------|------------|-------------|
| Other Production sector | 38 | 13.10% |
| Service sector | 06 | 02.07% |
| Ceramic production | 246 | 84.83% |
| Total | 290 | 100% |

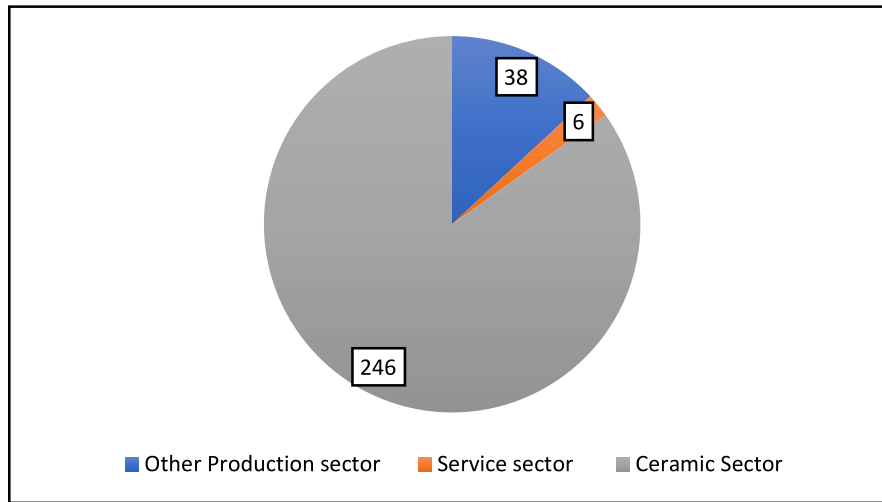


Table – 10

| Category | Male | Female | Total Respondents |
|-------------------------|-------------|------------|-------------------|
| Other Production sector | 119 | 37 | 156 |
| Service sector | 54 | 61 | 115 |
| Ceramic Sector | 1603 | 126 | 1729 |
| Total | 1776 | 224 | 2000 |

A total of 2000 respondents participated in the study, coming from 290 different units. Out of the 2000 respondents, 156 (7.8%) (119 males and 37 females) worked in manufacturing units other than ceramics, 115 (5.75%) (54 males and 61 females) respondents worked in the service sector and 1,729 (86.45%) (1603 males and 126 females) respondents worked in ceramic manufacturing units.

Table - 11 Sector-wise data on ESI, PF and TB

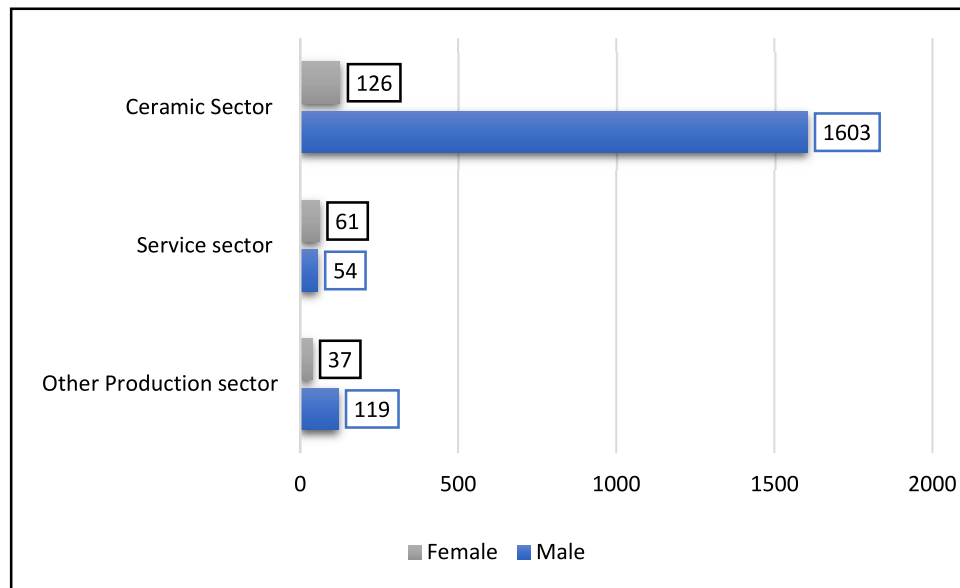
| Category | Covered under ESI Act | NOT COVERED UNDER ESI ACT | Covered under PF ACT | NOT Covered under PF ACT | TB | NON TB |
|-------------------------|-----------------------|---------------------------|----------------------|--------------------------|-----------|-------------|
| Other Production sector | 1 | 155 | 1 | 155 | 0 | 156 |
| Service sector | 100 | 15 | 101 | 14 | 1 | 114 |
| Ceramic Production | 46 | 1683 | 60 | 1669 | 62 | 1667 |
| TOTAL | 147 | 1853 | 162 | 1838 | 63 | 1937 |

Table - 11 (A) Percentage

| Category | Covered under ESI Act | NOT COVERED UNDER ESI ACT | Covered under PF ACT | NOT Covered under PF ACT | TB | NON TB |
|-------------------------|-----------------------|---------------------------|----------------------|--------------------------|--------|--------|
| Other Production sector | 00.64% | 99.36% | 00.64% | 99.36% | - | 100% |
| Service sector | 86.96% | 13.04% | 87.83% | 12.17% | 00.87% | 99.13% |
| Ceramic Production | 02.66% | 97.34% | 03.47% | 96.53% | 03.59% | 96.41% |

This study has covered 2000 respondents from 3 different sectors, out of which 1729 (86.45%) are engaged in ceramic manufacturing, 156 (7.8%) from other manufacturing units of ceramic, and 115 (5.75%) from service sector.

Out of the total 156 respondents from other manufacturing units than ceramic, 1 (00.64%) respondent has ESI and PF contribution deducted from salary while 155 (99.36%) respondents do not get benefit of the ESI and PF Act.



Out of the total 115 respondents from service sector, 100 (86.96%) respondents have ESI contribution deducted from salary while 15 (13.04%) respondents have not been covered under the ESI Act. 101 (87.83%) respondents have their PF contribution deducted from their salary and 14 (12.17%) respondents not been covered under the PF Act.

Out of the total 1729 respondents working in ceramic manufacturing units, 46 (02.66%) respondents have their ESI contribution deducted from their salary while 1683 (97.34%) respondents not been covered under the ESI Act. 60 (03.47%) respondents have their PF contribution deducted from their salary and 1669 (96.53%) are not covered under the PF Act. Out of the total 1729 respondents working in ceramic manufacturing units.

62 (3.59%) respondents have undergone TB treatment.

9. Pay slip:-

As per the Contract Labour (Regulation and Abolition) Act 1970 and the Minimum Wages (Central) Rules, 1950, there is a provision for the unit to issue salary slip to the workers. In this study, only 202 (10.10%) respondents said that they are given salary slips. Out of which 180 (89.11%) are males and 22 (10.89%) are females. Here 1798 (89.90%) respondents are not given salary slips at all, out of which 1776 (88.77%) are males and 202 (11.23%) are females. When the researcher asked the respondents who were getting salary slips for salary slips, 12 respondents considered the card keeping the account of their work as salary slips! Moreover, two respondents showed the salary slip but it had the company name but no official stamp and signature.

Table – 12 Pay slip

| | Male | Female | Total |
|-----|--------------|-------------|-------|
| Yes | 180 | 22 | 202 |
| No | 1596 | 202 | 1798 |
| | 1776 (88.8%) | 224 (11.2%) | 2000 |

Table - 12 (A) Sector-wise pay slip

| Category | YES | | YES Total | Nos | | Nos Total | Total |
|---------------------------|------|--------|----------------|------|--------|-----------------|-------|
| | Male | Female | | Male | Female | | |
| Other Production sector | 1 | 1 | 2 (1.2%) | 118 | 36 | 154 (98.71%) | 156 |
| Service sector | 18 | 11 | 29 (25.21%) | 36 | 50 | 86 (74.78%) | 115 |
| Ceramic Production Sector | 161 | 10 | 171 (9.8%) | 1442 | 116 | 1558 (90.1%) | 1729 |
| Total | 180 | 22 | 202 (10.1%) | 1596 | 202 | 1798 (89.9%) | 2000 |

The highest number of respondents in the service sector are given salary receipts at 25.21%, while in the other manufacturing sector and ceramic sector, salary receipts are given to 1.2% and 9.8% of respondents respectively.

10. Wages:-

To get the benefit of ESI Act, the salary should be Rs. 21,000/- or less. Thus, all the 2000 respondents covered in this study were eligible for coverage under the Act. Here the average salary is Rs. 15,943.46. In this study, 894 (44.7%) respondents were found to be earning less than this average salary while 1106 (55.3%) were earning more than the average salary. 2 respondents said that they were earning Rs. 6,000 or less. 1 respondent earns Rs. 7,000/-, 7 respondents earn Rs. 7,500/-, 11 respondents earn Rs. 8,000/- and 43 respondents earn Rs. 9,000/-, 1 respondent earns Rs. 9,500/-. This is much less than the minimum wages declared by the State government, by any standard. They belong to 27 different units. That is, the purpose of this study is limited to the payment of wages under ESI, Act, PF Act and Payment of Wages Act, but the information we get about the implementation of the Minimum Wages Act is additional achievement.

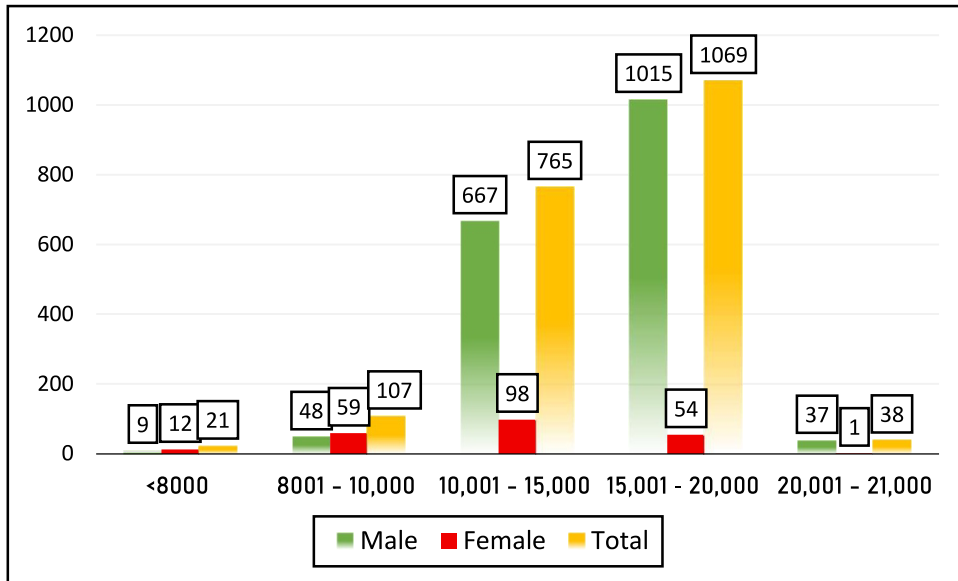
This study also finds that there is a huge difference between the wages paid to male and female workers. Despite the existence of a law to pay equal wages for equal work, its implementation seems to be weak. In the 0-8,000 and 8,001-10,000 wage groups, female workers are more than male workers, here 42.86% of the respondents earning 8000 or less are male and 57.14% are female. And in the 8001 to 10,000/- wage group, 44.86% are male and 55.14% are female. In all other categories except these two categories, male workers dominate the group in the wage groups above them. Most female workers earn Rs. 10 to 15 thousand per month, although only 12.81% of female workers earn wages in the 10,000 to 15,000 wage group. Among male workers, 87.19% of male workers are in this category.

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Table - 13

| Range of wages earned per month in Rs. | Male | Female | Total |
|--|-------------|------------|-------------|
| <8000 | 9 | 12 | 21 |
| 8001 - 10,000 | 48 | 59 | 107 |
| 10,001 - 15,000 | 667 | 98 | 765 |
| 15,001 - 20,000 | 1015 | 54 | 1069 |
| 20,001 - 21,000 | 37 | 1 | 38 |
| Total | 1776 | 224 | 2000 |

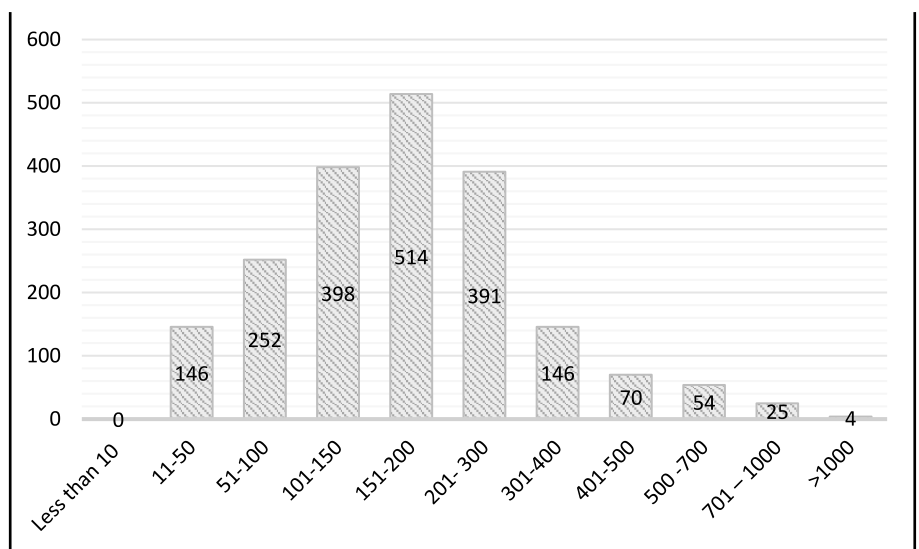


11. Numbers of workers employed in the unit :-

Again, this was an important test to determine the eligibility for the units in the geographical area covered under the ESI Act. If the unit employs 10 or less workers, then that unit is not eligible for coverage under the ESI Act. In this study, no respondent informed the researcher that the unit in which they are working is employing less than 10 workers. Therefore, all the units in which the respondents who participated in this study work are eligible for coverage under the ESI Act.

Table - 14

| No of workers employed | No of Respondents |
|------------------------|-------------------|
| Less than 10 | 0 |
| 11-50 | 146 |
| 51-100 | 252 |
| 101-150 | 398 |
| 151-200 | 514 |
| 201- 300 | 391 |
| 301-400 | 146 |
| 401-500 | 70 |
| 500 -700 | 54 |
| 701 - 1000 | 25 |
| >1000 | 4 |
| | 2000 |



12. Location of the unit :-

Another condition for the application of this law is its location (area). Some areas of Morbi were notified under the ESI Act in 1967. The number of units located in different areas of Morbi can be seen in the table below.

Table – 15

| No. | Location of the unit | Nos. of units located in this area covered under this study | Nos. of respondents in these units |
|-----|------------------------------|---|------------------------------------|
| 1 | Wankaner City Area | 1 | 3 |
| 2 | Hasanpar, Wankaner | 1 | 11 |
| 3 | GIDC, Wankaner | 5 | 6 |
| 4 | GIDC, Rafeleshwar | 1 | 8 |
| 5 | Lalpar, Morbi | 39 | 327 |
| 6 | Shobheshwar Road, Morbi | 3 | 69 |
| 7 | Lakhdirpur Road, Morbi | 60 | 302 |
| 8 | Old Ghutu Road, Morbi | 54 | 370 |
| 9 | New Ghutu Road, Morbi | 2 | 7 |
| 10 | Timbdi - Dharampur Morbi | 45 | 265 |
| 11 | Shanala Road, Morbi | 2 | 7 |
| 12 | Old Bus Stand, Morbi | 1 | 1 |
| 13 | Najarbagh Road, Morbi | 1 | 96 |
| 14 | Mahendranagar - Pipli, Morbi | 50 | 364 |
| 15 | Lati plot, Morbi | 3 | 7 |
| 16 | Gandhi Chowk, Morbi | 1 | 7 |
| 17 | Bhadiyad, Morbi | 21 | 150 |

It can be seen from this table that maximum units are located in Lalpar, Old Ghutu Road and Lakhdirpur areas. 20 units are from Wankaner taluka and the rest are from Morbi taluka.

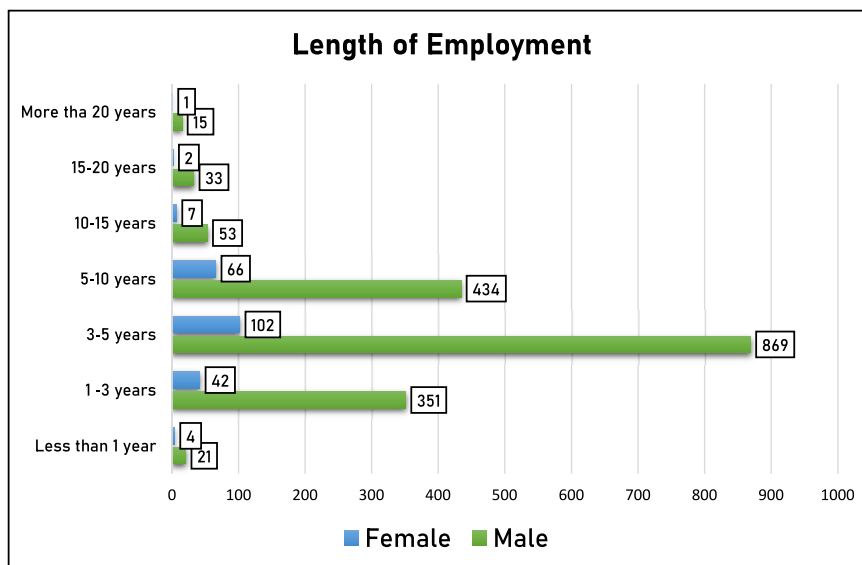
Panchasar, Dhunda, Lilapar, Jodhpar, Rajpar, Shanala (Shakat) Gram Panchayat limits. There are areas which have been notified under ESI Act but not a single respondent from that area is included in this study.

13. How many years has the respondent been working :-

ESI Act is applicable to the worker from the first day itself. However, this question gives us an idea of the period of time for which they have been deprived of the social security law. 16 (0.8%) respondents said that they have been working for more than the last 20 years and are still not covered by the law. 79.10% respondents said that they have been working in their current employment for the last 3 years or more. Of the remaining, about 20.90% of respondents have been working in their current employment for the last 3 years or less.

Table – 16

| Period | Male | Female | Total |
|--------------------|-------------|------------|-------------|
| Less than 1 year | 21 | 4 | 25 |
| 1 -3 years | 351 | 42 | 393 |
| 3-5 years | 869 | 102 | 971 |
| 5-10 years | 434 | 66 | 500 |
| 10-15 years | 53 | 7 | 60 |
| 15-20 years | 33 | 2 | 35 |
| More than 20 years | 15 | 1 | 16 |
| Total | 1776 | 224 | 2000 |



Out of the 5 respondents aged 18, two respondents seem to have started working at the age of 15, the other two respondents at the age of 14 and one respondent at the age of 13. From the given information, it is seen that out of 2000 respondents, respondent no.-101 (age 35) and respondent no.-1231 (age 19), both male respondents, started working at the age of 14 and 15 respectively. From the information of the study, it is seen that 9 respondents aged 20 started working at the age of 16. Here is the key to knowing whether there is child labour in Gujarat or not!

14. Do the respondents covered under ESI really get the benefits?

100 respondents from only 2 units in the service sector participated in this study from whose wages ESI contribution is deducted. Out of these, 94 respondents from one unit have their ESI contribution deducted from the first day of joining the job. But after further discussion with those workers, it was found that none of them had been given an identity card. They had no information about the benefits available under the ESI Act and the ESI dispensaries. During the study, 94 respondents were given information and leaflets by the activists and volunteers of the organization. Out of these 94, one pregnant female respondent was given necessary guidance about the maternity benefits available under ESI.

ESI contribution is deducted from the salary of 6 respondents working in another unit, but apart from one of them, no other respondent was given an identity card. In one case, when the need for an identity card arose, the unit gave it to them after 2 months after giving 4 pushes, the respondent said.

The respondent told the researcher that the ESI contribution of 1 respondent from a unit in the ceramic manufacturing sector is deducted from the salary, while the PF contribution of the same respondent is not deducted from the salary, he is not even given a salary receipt. During the second visit, it was found that if a worker falls ill, one is sent to a private hospital selected by the factory owner where the worker gets free treatment, which the worker may assume as ESI. This worker does not even have an ESI number. In response to the question whether ESI is deducted, the respondent said “yes”. Therefore, nothing can be said for sure about this.

The ESI contribution of 46 respondents from 24 units of the ceramic sector is deducted from the salary. 12 ceramic units were found where the ESI contribution of only 1 respondent per unit is deducted from the salary.

7 ceramic units were found in which the ESI contribution of 2 respondents per unit is deducted from the salary.

3 ceramic units were found in which the ESI contribution of 3 respondents per unit is deducted from the salary

While there are 2 ceramic units in which the ESI contribution of 4 and 7 respondents respectively is deducted from the salary

When the researcher conducted a second visit to find out whether the ESI contribution of all these 46 respondents started being deducted from the first day of joining the job or after that, and if it started after that, after how much time the deduction started, it was found that none of the 46 respondents had their ESI deducted from the first day.

None of the 147 respondents was initially given a temporary ID card or an identity card after 3 months. Identity card is mandatory to get the benefits of ESI.

15. TB treatment:-

Table – 17

| Category | Male | Female | Total |
|--------------------------------|------|--------|-------|
| No treatment taken for TB ever | 1723 | 214 | 1938 |
| TB treatment taken | 53 | 10 | 63 |

Out of 2000 respondents, 63 (3.15%) respondents have received TB treatment. 62 workers in ceramic and 1 worker in the service sector have received TB treatment. No respondent from other manufacturing sectors has received TB treatment. According to the World Health Organization (WHO) Global TB Report, there were 195 (0.195) cases of TB per 1 lakh people in 2023. Accordingly, if 3.15% of respondents working in ceramic manufacturing units of Morbi involved in this study have received TB treatment, then the rate is considered very high. It is clear here that those who come into contact with silica are more likely to get TB.

16. Any other sickness:-

Table – 18

| <i>Category</i> | Male | Female | Total |
|---|-------------|------------|--------------|
| <i>NO sickness</i> | 1753 | 219 | 1972 (98.6%) |
| <i>Blood Pressure</i> | 0 | 2 | 2 |
| <i>Cancer*</i> | 1 | 0 | 1 |
| <i>Diabetes</i> | 2 | 1 | 3 |
| <i>Difficulty in breathing</i> | 6 | 0 | 6 |
| <i>Dust allergy</i> | 1 | 0 | 1 |
| <i>Gallbladder stone</i> | 1 | 0 | 1 |
| <i>Surgery for Gallbladder stone done</i> | 1 | 0 | 1 |
| <i>Hemorrhoid</i> | 1 | 0 | 1 |
| <i>Joint pain</i> | 2 | 0 | 2 |
| <i>Leg pain</i> | 2 | 1 | 3 |
| <i>Silicosis</i> | 5 | 0 | 5 |
| <i>Skin allergy</i> | 1 | 0 | 1 |
| <i>Stomach pain</i> | 0 | 1 | 1 |
| TOTAL | 1776 | 224 | 2000 |

* Male aged 37 working with Ceramic is suffering from mouth cancer.

5 respondents were found to be victims of silicosis. All of them are associated with the ceramic manufacturing sector. Their ages are 29, 32, 40, 45 and 47 respectively. All 5 respondents are male. None of them is covered under the ESI Act and PF Act. 4 respondents are local and 1 is a migrant worker. The migrant worker is currently 32 years old. He has been working in the same ceramic unit for 14 years. And yet he is not getting the benefit of the social security law.

These five respondents have been working for a minimum of 3 years and a maximum of 14 years, but they have not got the benefit of the ESI Act. As mentioned earlier, none of the five respondents wants the employer to know that they suffer from silicosis. They are scared of getting fired. One of the respondents stated that he has seen this happen to other workers in his unit before, so his fear seems justified.

According to the table above, the 6 people who have respiratory problems have had long-term exposure to silica and have also been treated for TB.

17. Migrant Workers:-

Millions of workers from other parts of Gujarat and outside Gujarat come to work in Morbi and spend their entire lives in Morbi.

Table – 19

| Category | Male | Female | Total |
|-----------------|------|--------|---------------|
| Migrant Workers | 1065 | 56 | 1121 (56.05%) |
| Local Workers | 711 | 168 | 879 (43.95%) |
| Total | 1776 | 224 | 2000 |

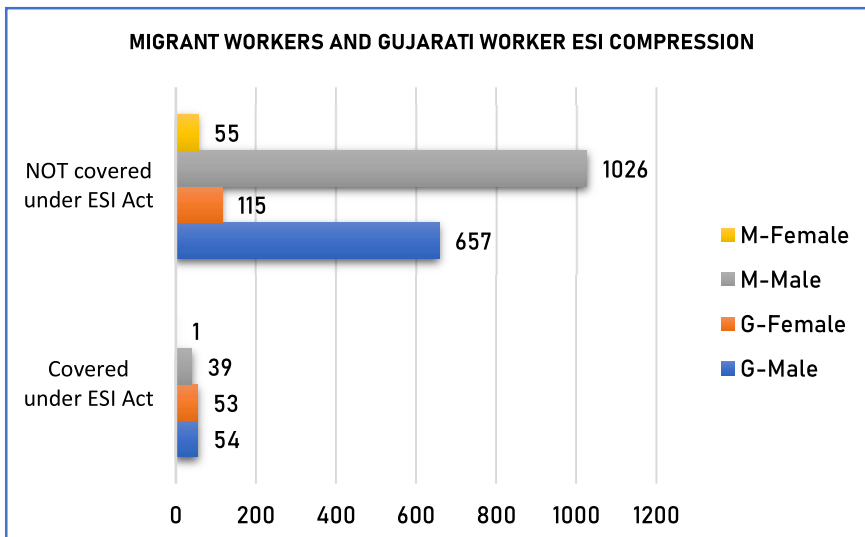
More than 56% of the 2000 respondents who participated in this study were migrant workers.

18. Migrant Workers and ESI Act

Table – 20 ESI implementation among local and migrant workers

| Category | L-Male | L-Female | Local Total | M-Male | M-Female | Migrant Total | Total |
|---------------------------|--------------|-------------|--------------|---------------|------------|---------------|-------|
| Covered under ESI Act | 54 (2.7%) | 53 (2.65%) | 107 (5.35%) | 39 (1.95%) | 1 (0.05%) | 40 (2%) | 147 |
| NOT covered under ESI Act | 657 (32.85%) | 115 (5.75%) | 772 (38.6%) | 1026 (51.3%) | 55 (2.75%) | 1081 (54.05%) | 1853 |
| Total | 711 (35.55%) | 168 (8.4%) | 879 (43.95%) | 1065 (53.26%) | 56 (2.8%) | 1121 (56.05%) | 2000 |

❖ Here L stands for local and M for migrants



It will be seen in Table No. 20 that out of 879 local respondents, 107 (12.17%) have their ESI contribution deducted from their salary. Out of 1121 migrant respondents, only 40 (3.57%) have their ESI contribution deducted from their salary. Here, discrimination against migrant workers is clearly visible.

19. Exposure to silica:-

Table – 21

| Department | MALE | FEMALE | TOTAL |
|--------------|-------------|------------|-------------|
| Bharai | 217 | 21 | 238 |
| Glazing | 19 | 0 | 19 |
| Checking | 53 | 1 | 54 |
| Ballmill | 14 | 0 | 14 |
| Ceramic Clay | 234 | 12 | 246 |
| Molding | 8 | 0 | 8 |
| Out table | 26 | 0 | 26 |
| Kiln | 17 | 0 | 17 |
| Packing | 67 | 10 | 77 |
| Painting | 5 | 0 | 5 |
| Sorting | 71 | 0 | 71 |
| Other | 872 | 82 | 954 |
| Total | 1603 | 126 | 1729 |

Table – 21 (A)

| Ceramic Sector worker | Male | Female | Total Respondents |
|----------------------------------|-------------|------------|-------------------|
| Direct exposure to silica dust | 545 | 34 | 579 (33.49%) |
| Indirect exposure to silica dust | 1058 | 92 | 1150(66.51%) |
| Total | 1603 | 126 | 1729 |

In the table above, the researcher has found out in which department the respondents of the ceramic sector work. Due to the details of the department, it can be known that how many respondents come into direct contact with silica, how many come into indirect contact and how many do not come into contact at all.

Accordingly, a total of 579 (28.95%) respondents working in filling, glazing, checking, ball mill, ceramic clay and molding departments can be said to come into direct contact with silica. 196 (9.8%)

respondents working in sorting, painting, packing, kiln, and out table departments come into indirect contact with silica. Another 954 (47.7%) may also come into indirect contact with silica, because these are the workers who can be sent to work in any of those departments when necessary.

The risk increases if the ceramic unit does not strictly follow the provisions of the Factories Act and fails to maintain the level of silica dust in the workplace air as per the law.

Out of 2000 respondents, 271 respondents are from “Other Manufacturing Sector” and “Service Sector” where there is no risk of silica exposure.

579 (28.95%) respondents who are directly exposed to silica during work are more likely to develop TB, silicosis, COPD and lung cancer. 1150 (66.51%) workers who are indirectly exposed to silica are less likely to develop TB, silicosis, COPD and lung cancer.

If adequate attention is paid to the health of workers while complying with the Factories Act, some workers can be saved from illness.

20. Which sector is better implementing social security laws?

2000 respondents who participated in this study were from Ceramic, manufacturing other than ceramic and service sector.

Table - 22

| Sector | Implementation of ESI Act not at all | Partial implementation of ESI Act | Implementation of PF Act not at all | Partial implementation of PF Act | Implementation of pay slip not at all | Partial implementation of pay slip |
|---------------------|--------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|---------------------------------------|------------------------------------|
| Ceramic | 222(90.24%) | 24(9.76%) | 212(86.18%) | 34(13.82%) | 171(69.51%) | 75(30.49) |
| Other manufacturing | 37(97.37%) | 1(2.63%) | 37(97.37%) | 1(2.63%) | 36(94.74) | 2(5.26%) |
| Service | 4(66.67%) | 2(33.33%) | 4(66.67%) | 2(33.33%) | 4(66.67%) | 2(33.33%) |
| TOTAL | 263(90.68%) | 27(9.31%) | 253(87.24%) | 37(12.76%) | 211(72.76%) | 79(27.24%) |

Looking at the above table, it is clear that service sector units are implementing the ESI Act, PF Act and salary receipts well. After that, ceramic units come and after that other manufacturing units come.

Study Findings and Conclusions

1. 2000 workers from 290 units participated in this study. [Table-2] Out of 2000 respondents, 92.65% are not covered under ESI Act. [Table-4] All 290 units are located in the notified areas under ESI Act. [Table-15]. All 290 units employ 10 or more workers. [Table-14] All 2000 respondents earn wages less than or equal to Rs. 21,000/- [Table-13] and are therefore eligible to be covered by the Act. It is clear that out of 290 units, ESI has been partially implemented in 27 units [Table-5] while in the remaining 263 units it seems that it has not been implemented at all. This indicates that the implementation of social security law is very weak.
2. Out of 147 respondents whose ESI contribution is deducted, 93 are male and 54 are female. [Table-4]
3. Out of the 147 respondents whose ESI contribution is deducted, very few have been given the identity card required under the law. Due to this, despite paying the contribution from the salary, they cannot get the benefits as per the law.
4. Out of the 147 respondents whose ESI contribution is deducted, none of them has their contribution deducted from the first day of employment. It is covered under the law only after a long period of employment, which is a violation of the law.
5. 3. Out of 128 respondents who earn less than Rs. 10,000, 55.47% are female, which is less than the minimum wage. 312 respondents earn more than Rs. 10,001 but less than Rs. 13,500. Out of these 312 respondents, 83.01% are male and 16.99% are female. Thus, 440 respondents i.e. 22% of the respondents earn less than Rs. 13,500. It can be concluded that in many units, a large number of workers are not even paid the minimum wage. It was found during the study that the workers are not aware of the law regarding minimum wage. [Table-13]
6. There is a huge disparity in wages between male and female workers. The law of equal pay for equal work has largely remained on paper. [Table-13]
7. 162 (8.10%) respondents from 37 units have replied that their PF contribution is deducted, the remaining 1838 (91.90%) are not getting the benefit of PF Act. Out of 162, 107 (66.05%) are male and 55 (33.95%) are female workers. 66.05% are male respondents who are getting the benefit of PF Act, which is more than the female respondents. The discrimination between male and female workers is also seen here. [Table-8]

8. Out of 147 respondents whose ESI contribution is deducted, 145 are also getting the benefit of PF Act. They are from 27 different units. These 27 units are commendable. However, it is not clear from this study whether they have covered all their workers under these two Acts or not. . [Table-8(A)]
9. Out of 2000 respondents, only 202 (10.10%) are given salary receipts. 1798 (89.90%) respondents are not being given salary receipts. [Table-12] However, it seems that the respondents do not have enough understanding about this salary receipt either. Many respondents could not show their salary receipts to the researcher. And the few who showed it had a record of work. In the document shown by another respondent, the name and salary were written on the printed paper but there was no official stamp of the unit or anyone's signature. The ignorance and compulsion of the worker are being fully exploited.
10. 5 respondents found in the study were suffering from silicosis and 6 respondents reported having difficulty in breathing. It was found that the respondents who had difficulty in breathing had long-term exposure to silica. These respondents did not have any evidence of employment. [Table-18]
11. The unit which provides the benefit of PF Act but does not want to provide the benefit of ESI law (Ref. Table 08) can only explain what is the calculation or logic behind it. Producers' Associations can motivate them to follow both the social security laws.
12. Out of 63 respondents who have taken TB treatment, 62 respondents are ceramic workers. It can be assumed that the prevalence of TB is high due to exposure to silica. It is a known fact that those who are exposed to silica are more likely to get TB [Table-11]
13. In Table No. 20, it will be seen that out of 879 local respondents, 107 (12.17%) have their ESI contribution deducted from their salary. Out of 1121 migrant respondents, only 40 (3.57%) have their ESI contribution deducted from their salary. Here, discrimination against migrant workers is clearly visible. [Table-20]
14. Out of total 1729 respondents working in ceramics, 579 (33.49%) respondents are directly exposed to silica and are more likely to develop TB, silicosis, COPD and lung cancer. 1150 (66.51%) respondents are indirectly exposed to silica dust and are less likely to develop it [Table-21(A)]
15. Looking at Table 22, it is seen that among ceramic units, non-ceramic manufacturing units and service sector units, this study shows that service sector units implement social security laws well. Next in line are ceramic units and then non-ceramic manufacturing units.

Discussion based on the findings

The facts revealed in this study are very shocking. If the industrial areas of Morbi were brought under the ESI Act coverage way back in 1967, even after 58 years, 92.65% of the 2000 workers covered in the study say that ESI contribution is not deducted from their salary, then it is considered very shameful for the ESI Corporation. Neither the state government nor the industrialists can escape from their responsibility. It is necessary to understand what industrial development means. If there is no cooperation of all, then where will the development of all come from? The development of a few happens and it happens at the expense of many. According to a recent government report, the number of workers receiving social security in India has increased significantly in the last decade. But this study does not support it.

The organization had conducted a similar study in Thangadh 7 years ago and similar conclusions were also reached in it. It is a common experience that such studies fail to play any significant role in social change, but such studies do hold society in a mirror and show how far we have to go in the direction of social justice.

Recommendations

For the Union Ministry of Labour and Employment and ESI Corporation :-

- I. The 39th Report of the Parliamentary Standing Committee on the Ministry of Labour and Employment published on 25th July, 2018, reports that, “A clear point in the view of the Committee is that the responsibility of 'enrolment' under the ESI scheme lies solely with the 'employer' and not with ESIC, which collects contributions from the insured persons (IP) and employers. They are of the view that the 'responsibility' of enrolment should not lie solely with the employer but also with ESIC/ESIS, as it receives contributions from both the workers as well as the employers. The Committee believes that this will have a major impact in improving the coverage under the ESI Act and therefore recommends that the Ministry of Labour and Employment as well as ESIC should examine this issue and take necessary steps which may be reported to the Committee.” In its 56th report published on 11/02/2019, the Committee again reconsidered its recommendation. “We would go a step further and recommend that the worker should also have the right to register himself as a contributor for premium.” This change is long overdue.
- II. Immediate steps need to be taken to cover all workers coming under the ESI Act in ceramic and other industries in Morbi. ESI Corporation should take these findings seriously and work decisively to cover all workers – whether they are employed by legal/illegal contractors or units or whether they are piece rate workers or daily wage earners. ESIC was set to cover the entire country by 2022 under Vision 2022 but there is still a lot of work to be done in Morbi in this regard. We hope that ESIC will succeed in achieving this goal.
- III. Steps should be taken to provide benefits under the ESI Act with immediate effect to all the respondents in this study who have declared themselves to have silicosis. When a worker gets silicosis, no compensation or compensation is paid to him under the ESI Act or the Employees Compensation Act. Those who get silicosis are sooner or later pushed out of the labour market and then it becomes very difficult for them to live their livelihood because on the one hand their income stops and on the other hand the cost of treatment increases many times. They have to take compulsory retirement much earlier than the retirement age.
- IV. Necessary steps need to be taken to implement the PF Act in this industry. The State PF Commissioner should look into this matter.

- V. Workers should be completely banned from employing their "helpers".
- VI Many workers are not given salary slips. Strict action should be taken by the Labour Department.
- VII. Minimum wages and equal wages should also be implemented.
- VIII. Contract Labour (Regulation and Abolition) Act, 1970 should be strictly implemented.

ESI Corporation should educate the workers about the benefits available under ESI Act. Workers should be encouraged to lodge complaints when they are not covered by the Act and to remove other irregularities by the employer, while ensuring confidentiality.

- IX. ESIC should educate the units in the covered area about the benefits of the Act and take legal action for violation of the Act.

Recommendations for Industry–

- I. Whether it is an industry association or a ceramic association, all its members should be encouraged to cover all their workers under the ESI Act, PF Act and other labour laws like Payment of Wages Act and Minimum Wages Act.
- II. As per the provisions of SEBI Regulation, 2015, it is necessary to keep in mind that top 1000 companies listed in the stock market are required to attach a Business Responsibility and Sustainability Report in their annual report.
- III. The European Union has implemented a law called Corporate Sustainability Due Diligence Directive. It is applicable to companies doing business with European countries in which companies have to address the adverse impacts on human rights and the environment.
- IV. The Supreme Court of India has given its verdict in the Public Interest Litigation on Silicosis and the National Human Rights Commission has also made recommendations in the complaints before it regarding Silicosis.

Recommendations for workers -

- I. They should cooperate with the employer while they are registering under ESI and PF Act.

Schedule - I Questionnaire



ઈ.એસ.આઈ. સર્વે ફોર્મ

નામ :

ઉંમર :

લીંગ : પુરુષ / સ્ત્રી

સરનામું (હાલનું) :

સરનામું (કાયમી) :

સંપર્કની વીગત (ફોન નં.) :

ક્યા ખાતામાં કામ કરો છો ?

આ ખાતામાં કેટલા વર્ષ :

| એકમનું નામ (કારખાનાનું નામ) | એકમ સરનામું (કારખાનાનું સરનામું) | એકમ ઈ.એસ.આઈ નોટીફિકેશન વીસ્તારમાં છે? હા કે ના | કામ કર્યું એનો સમય ગાળો (ક્યાં થી ક્યાં વર્ષ) | એકમમાં કામ કરતાં કામદારોની સંખ્યા | માસીક પગાર | ઈ.એસ.આઈ. કપાય છે કે કપાતો હતો હા કે ના ? |
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પગાર પાવતી આપે છે? હા / ના

પી.એફ. કપાય છે? હા / ના

વેતન બેંકમાં સીધું જમા થાય છે? હા / ના

હાલ કે અગાઉ ટીબીની દવા લીધી છે? હા / ના

અન્ય કોઈ બીમારી હોય તો તેની વિગત :

ફોર્મ ભર્યા તારીખ:

ફોર્મ ભરનાર કાર્યકરનું નામ:

Schedule - II Prior informed consent form

મને ઇ એસ આઇ અંગે થઇ રહેલા આ અભ્યાસની માહિતી આપવામાં આવી છે, તે હું સમજ્યો છું અને આ અભ્યાસમાં ભાગ લેવા મારી સહમતી છે. હું સ્વેચ્છાપૂર્વક માગવામાં આવેલી માહિતી આપું છું. આપેલી માહિતી મારી સમજ મુજબ સાચી અને ખરી છે.

નોંધ : આ માહિતી કામદારોને મળતા અધિકારો અંગેનો અભ્યાસ માત્ર છે જેથી અમે આપને ખાતરી આપીએ છીએ કે આથી આપને કોઈ નુકશાન નહીં થાય.

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i <https://rogujarat.esic.gov.in/ro-sro-implemented-area>

ii <https://rogujarat.esic.gov.in/ro-sro-implemented-area>

iii <https://theprint.in/ground-reports/morbi-is-indias-undisputed-tile-champion-now-this-gujarat-town-is-eyeing-chinas-crown/1891568/>

iv <https://www.newindianexpress.com/nation/2023/Feb/20/patients-with-silicosis-are-4-times-more-likely-to-get-tb-says-icmr-2549076.html>

v <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2114549>

