Chapter IV - ESI

Code on Social Security, 2020 | Detailed statutory, Rule, compliance, remedy and evidence guide.

Review date: 2026-07-18Authors: CA Nikhil Gupta & Kajri SinghSections: 24-52Central Rules mapped: 15Local source-hashed Act text + linked Rules and implementation analysis
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On this page

> Code on Social Security, 2020 ESI four-step compliance flowchart
> Finin2min decision flow — identify the law, complete the statutory process and preserve evidence.

Publication-source status: Every mapped section of the parent Code is embedded locally from the retained official India Code PDF and carries the source SHA-256. Linked 2026 Central Rules, forms, notifications and operational analysis remain subject to the official Gazette and subsequent amendments.

Chapter decision flow

Classify establishment & person→Fix event date→Apply section and Rule→Complete form/record→Retain evidence & remedy file

Finin2min Summary - Chapter in 2 Minutes

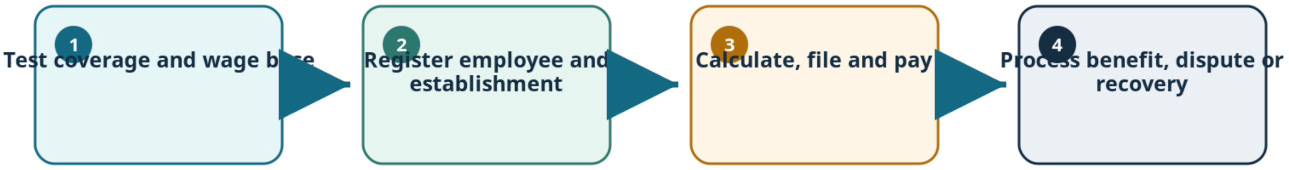
This chapter turns esi into an operational control file. It covers Principal Officers and other staff, Employees' State Insurance Fund, Purposes for which Employees' State Insurance Fund may be expended, Holding of property, etc.; the practical sequence is to classify coverage and event date, apply the provision and mapped Rule, complete the form/register, calculate the entitlement or exposure, and retain evidence for inspection, claim or appeal.

FININ2MIN CHAPTER DECISION FLOWCHART

Chapter IV - ESI

FININ2MIN LEGAL FLOW

Code on Social Security, 2020 — ESI



Law → trigger → procedure → evidence. Confirm the operative Central/State instrument on the event date.

Use this flow with the chapter provision map, implementation controls, evidence checklist, limitation/forum review and remedy framework. Confirm the operative Central and State instruments on the event date.

Chapter IV - ESI

Finin2min implementation explanation

Maintain a controlled implementation file for Chapter IV - ESI: coverage and event date, operative Central/State instrument, responsible owner, approval and authority, form/portal step, due date, calculation basis, supporting evidence, exception, escalation and closure proof. Reconcile payroll, HR, finance, contractor and legal records before sign-off.

Practical example

Classify the worker and establishment, identify the operative provision and notified instrument on the event date, compute the entitlement or exposure from source records, obtain approval, complete the filing/payment/action, and retain evidence. Do not use a portal value or payroll label as a substitute for the statutory test.

Calculation / control template

Control calculation: verified population or transaction base × applicable notified rate/amount × eligible period, adjusted for statutory inclusions, exclusions, ceilings, interest, compensation and prior payments. Reperform the calculation from retained source data.

Current-law control: verify the operative Central/State instrument, notification, form, portal and binding judgment on the event date. Numerical amounts in examples are illustrative unless expressly sourced.

Who is covered

Employers, employees, unorganised workers, gig/platform workers, beneficiaries and social-security authorities must identify the applicable chapter, establishment threshold and scheme.

Main obligations and rights

- Section 24: Principal Officers and other staff
- Section 25: Employees' State Insurance Fund
- Section 26: Purposes for which Employees' State Insurance Fund may be expended
- Section 27: Holding of property, etc.
- Section 28: All employees to be insured
- Section 29: Contributions

Key thresholds and timelines

- Use only the threshold, rate and limitation period effective on the event date; verify the Central/State instrument before acting.

Forms, registers and evidence

- Applicable form/register, calculation file, approval and acknowledgement evidence
- Retain classification, calculation, approval, communication, acknowledgement and payment/filing proof.

Employer risk snapshot

Highest practical risks: coverage, contribution, accident reporting, certification or benefit-period errors.

Employee/worker remedy snapshot

Core protection: medical and cash benefits, employment-injury protection and access to ESIC/Employees Insurance Court remedies. Confirm the authority, limitation and appeal route stated in this chapter.

Old law / transition

Map the event date and savings position against: Employees' Compensation Act, 1923; Employees' State Insurance Act, 1948; EPF and MP Act, 1952; Employment Exchanges Act, 1959; Maternity Benefit Act, 1961.

Five-point professional checklist

1. Freeze the event date, establishment, location and person/worker classification.
2. Identify the controlling section/paragraph, mapped Rule, notification and appropriate Government.
3. Reperform the calculation or decision test and document every exception or approval.
4. Complete the prescribed form/register/portal step and retain acknowledgement, payment and communication evidence.
5. Record the remedy, forum, limitation, appeal path and State variation before sign-off.

Finin2min takeaway: for esi, the defensible answer is not a policy label - it is the event-date law, the mapped procedure, the calculation and a complete evidence trail.

Download one-page Finin2min cheat sheet

Section-by-section provision map

Provision	Subject	Implementation focus
Section 24	Principal Officers and other staff	Trigger, linked Rule/form, evidence, consequence and remedy
Section 25	Employees' State Insurance Fund	Trigger, linked Rule/form, evidence, consequence and remedy
Section 26	Purposes for which Employees' State Insurance Fund may be expended	Trigger, linked Rule/form, evidence, consequence and remedy
Section 27	Holding of property, etc.	Trigger, linked Rule/form, evidence, consequence and remedy
Section 28	All employees to be insured	Trigger, linked Rule/form, evidence, consequence and remedy
Section 29	Contributions	Trigger, linked Rule/form, evidence, consequence and remedy
Section 30	Administrative expenses	Trigger, linked Rule/form, evidence, consequence and remedy

Provision	Subject	Implementation focus
Section 31	Provisions as to payment of contributions by employer, etc.	Trigger, linked Rule/form, evidence, consequence and remedy
Section 32	Benefits	Trigger, linked Rule/form, evidence, consequence and remedy
Section 33	Corporation’s power to promote measures for health, etc., of Insured Persons	Trigger, linked Rule/form, evidence, consequence and remedy
Section 34	Presumption as to accident arising in course of employment	Trigger, linked Rule/form, evidence, consequence and remedy
Section 35	Accidents happening while acting in breach of law, etc.	Trigger, linked Rule/form, evidence, consequence and remedy
Section 36	Occupational disease	Trigger, linked Rule/form, evidence, consequence and remedy
Section 37	References to medical board	Trigger, linked Rule/form, evidence, consequence and remedy
Section 38	Dependants’ benefit	Trigger, linked Rule/form, evidence, consequence and remedy
Section 39	Medical benefit	Trigger, linked Rule/form, evidence, consequence and remedy
Section 40	Provision of medical treatment by State Government or by Corporation	Trigger, linked Rule/form, evidence, consequence and remedy
Section 41	General provisions as to benefits	Trigger, linked Rule/form, evidence, consequence and remedy
Section 42	Corporation’s rights when an employer fails to register, etc.	Trigger, linked Rule/form, evidence, consequence and remedy
Section 43	Liability of owner or occupier of factories, etc., for excessive sickness benefit	Trigger, linked Rule/form, evidence, consequence and remedy
Section 44	Scheme for other beneficiaries	

Provision	Subject	Implementation focus
		Trigger, linked Rule/form, evidence, consequence and remedy
Section 45	Scheme for unorganised workers, gig workers and platform workers	Trigger, linked Rule/form, evidence, consequence and remedy
Section 46	Exemption of factories or other establishments belonging to Government or any local authority	Trigger, linked Rule/form, evidence, consequence and remedy
Section 47	Contributions, etc., due to Corporation to have priority over other debts	Trigger, linked Rule/form, evidence, consequence and remedy
Section 48	Constitution of Employees' Insurance Court	Trigger, linked Rule/form, evidence, consequence and remedy
Section 49	Matters to be decided by Employees' Insurance Court	Trigger, linked Rule/form, evidence, consequence and remedy
Section 50	Powers of Employees' Insurance Court	Trigger, linked Rule/form, evidence, consequence and remedy
Section 51	Proceedings of Employees' Insurance Courts	Trigger, linked Rule/form, evidence, consequence and remedy
Section 52	Appeal to High Court	Trigger, linked Rule/form, evidence, consequence and remedy

Section 24: Principal Officers and other staff

Current statutory text

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24. Principal Officers and other staff.—(1) The Central Government may app
of the Corporation and a Financial Commissioner, who shall be the Principa

    (2) The Director General and the Financial Commissioner shall hold off
exceeding five years, as may be specified in the order of appointment:

    Provided that outgoing Director General or Financial Commissioner, as
eligible for re-appointment if he is otherwise qualified.

    (3) The Director General or the Financial Commissioner shall receive s
may be prescribed by the Central Government.
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(4) The Director General and the Financial Commissioner shall exercise such duties as may be prescribed by the Central Government and shall perfo be specified in the regulations.

(5) A person shall be disqualified from being appointed as or for bein Corporation or the Financial Commissioner if he is subject to any of the d section 8.

(6) The Central Government may at any time remove the Director General Financial Commissioner from office and shall do so if such removal is reco Corporation passed at a special meeting called for the purpose and support two-third of the total strength of the Corporation.

(7) The Corporation may employ such other officers and employees as ma efficient transaction of its business and for discharge of any other resp Corporation from time to time by the Central Government:

Provided that the sanction of the Central Government shall be obtained maximum monthly salary of which exceeds such salary as may be prescribed b

(8) (a) The method of recruitment, salary and allowances, discipline a the officers and employees of the Corporation shall be such as may be spec accordance with the rules and orders applicable to the officers and employ drawing corresponding scales of pay:

Provided that the terms and conditions of service including pay and al specialists and super specialists in the Corporation possessing comparable may be notified by the Central Government, with the equivalent posts of th in the All India Institute of Medical Sciences or in the Post Graduate Ins Research or other similar institutions established by the Central Governme

Provided further that where the Corporation is of the opinion that it from the said rules or orders in respect of any of the matters aforesaid, the Central Government:

Provided also that this sub-section shall not apply to appointment of various fields appointed on contract basis.

(b) In determining the corresponding scales of pay of officers and emp Corporation shall have regard to the educational qualifications, method of responsibilities of such officers and employees under the Central Governme Corporation shall refer the matter to the Central Government whose decisio

(9) Every appointment to posts (other than medical, nursing or para-me Group 'A' and Group 'B' Gazetted posts under the Central Government shall the Union Public Service Commission:

Provided that the provisions of this sub-section shall not apply to an appointment for a period not exceeding one year:

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    Provided further that any such officiating or temporary appointment sh
regular appointment and the services rendered in that capacity shall not c
qualifying service specified in the regulations for promotion to next high

    (10) If any question arises whether a post corresponds to a Group 'A'
Central Government, the question shall be referred to that Government whos
final.
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Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for principal officers and other staff within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 24: principal officers and other staff.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 14: Rule 14 — Salary and allowances of Director General and Financial Commissioner

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.

- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/ officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 14 | Official source: section 24.

Section 25: Employees' State Insurance Fund

Current statutory text

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25. Employees' State Insurance Fund.—(1) All contributions and user charge
Chapter and all other moneys received on behalf of the Corporation shall b
referred to as the Employees' State Insurance Fund) which shall be held an
Corporation for the purposes of this Code:

    Provided that the user charges collected from the other beneficiaries
deemed to be contribution and shall form part of Employees' State Insuranc

    (2) The Corporation may accept grants, donations, Corporate Social Res
the Central or any State Government, local authority, or any individual or
not, for all or any of the purposes of this Chapter.

    (3) Subject to the other provisions contained in this Code and to any
behalf, all moneys accruing or payable to the said Fund shall be deposited
approved by the Central Government to the credit of an account styled the
Insurance Fund.

    (4) The Employees State Insurance Fund or any other money which is hel
deposited or invested in the manner prescribed by the Central Government a
sub-section (3) shall be operated by such officers as may be authorised by
sub-section (3) of section 5 (hereinafter referred to as the Standing Comm
Corporation.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for employees' state insurance fund within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.

5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 25: employees' state insurance fund.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 15: Rule 15 — Investment of Employees' State Insurance Fund or any other money held by Corporation

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 15 | Official source: section 25.

Section 26: Purposes for which Employees’ State Insurance Fund may be expended

Current statutory text

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26. Purposes for which Employees’ State Insurance Fund may be expended.— S
provisions of this Chapter and the rules and regulations relating thereto,
Employees' State Insurance Fund shall be expended only for the following p

     (a) payment of benefits and provision of medical treatment and att
  referred to in section 28 and, where the medical benefit is extended t
  such medical benefit to their families, in accordance with the provisi
 and regulations relating thereto and defraying the charges and costs in

     (b) payment of fees and allowances to members of the Corporation,
 Medical Benefit Committee or other Committees thereof;

      (c) payment of  salaries, leave and  joining time allowances,  tr
  allowances, gratuities and compassionate allowances, pensions, contrib
  benefit fund of officers and staff of the Corporation and meeting the
 and other services set up for the purpose of giving effect to the provi
  Chapter;

     (d) establishment and maintenance of hospitals, dispensaries and o
  provision of medical and other ancillary services for the benefit of I
 28 and, where the medical benefit is extended to their families;

      (e) payment of contributions to any State Government, local autho
  individual, towards the cost of medical treatment and attendance provi
  to in section 28 and, where the medical benefit is extended to their f
  the cost of any building and equipment, in accordance with any agreeme
  Corporation;

       (f) defraying the cost (including all expenses) of auditing the
  the valuation of its assets and liabilities;

     (g) defraying the cost (including all expenses) of the Employees'
  Chapter;

     (h) payment of any sums under any contract entered into for the pu
  Corporation or the Standing Committee or by any officer duly authorise
  Standing Committee in that behalf;

       (i) payment of sums under any decree, order or award of any Cour
  Corporation or any of its officers or staff for any act done in the ex
 compromise or settlement of any suit or other legal proceeding or claim
  Corporation;

       (j) defraying the cost and other charges of instituting or defen
  arising out of any action taken under this Code relating to this Chapt
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     (k) defraying expenditure, within the limits prescribed by the Ce
 with the Corporation, on measures for the improvement of the health an
and for the rehabilitation and re-employment of Insured Persons referre
been disabled or injured; and

      (l) such other purposes as may be authorised by the Corporation
 Central Government.
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Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for purposes for which employees' state insurance fund may be expended within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 26: purposes for which employees' state insurance fund may be expended.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 16: Rule 16 — Limits for defraying of expenditure

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.

- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 16 | Official source: section 26.

Section 27: Holding of property, etc.

Current statutory text

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27. Holding of property, etc. .— (1) The Corporation may, subject to such
prescribed by the Central Government, acquire and hold property, both mova
otherwise transfer any movable or immovable property which may have become
acquired by it and do all things necessary for the purposes for which the

    (2) Subject to such conditions as may be prescribed by the Central Gov
from time to time invest any moneys which are not immediately required for
under this Code and may, subject to as aforesaid, from time to time re-inv


    (3) The Corporation may, with the previous sanction of the Central Gov
may be prescribed by it, raise loans and take measures for discharging suc

    (4) The Corporation may constitute for the benefit of its officers and
provident or other benefit fund as it may think fit.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for holding of property, etc. within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control

8. Trigger
9. Document the facts that activate section 27: holding of property, etc..
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 15: Rule 15 — Investment of Employees' State Insurance Fund or any other money held by Corporation

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 17: Rule 17 — Holding of property, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 15, Rule 17 | Official source: section 27.

Section 28: All employees to be insured

Current statutory text

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28. All employees to be insured.—(1) Subject to the provisions of this Cod
establishment to which this Chapter applies shall be insured in such manne
otherwise, as may be prescribed by the Central Government.

    (2) An employee whether insured or insurable under sub-section (1) in
are or were payable and who is by reason thereof, entitled to any of the b
shall be called “Insured Person”.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. Insurance coverage is employee- and establishment-specific; voluntary or notified extension and exclusions must be checked.
3. Implementation control
4. Trigger
5. Document the facts that activate section 28: all employees to be insured.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 18: Rule 18 — Insurance of employees

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 18 | Official source: section 28.

Section 29: Contributions

Current statutory text

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29. Contributions.—(1) The contribution payable under this Chapter in resp
comprise contribution payable by the employer (hereinafter referred to as 
contribution payable by the employee (hereinafter referred to as the emplo
paid to the Corporation.

    (2) The contributions (employer's contribution and the employee’s cont
such rates as may be prescribed by the Central Government.

    (3) The wage period in relation to an employee shall be the unit as sp
(hereinafter referred to as the wage period) in respect of which all contr
Chapter.

    (4) The contributions payable in respect of each wage period shall ord
the wage period, and where an employee is employed for part of the wage pe
or more employers during the same wage period, the contributions shall fal
specified in the regulations.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. Contribution computation requires the operative wage definition, rate, contribution period and ESIC regulations.
3. Implementation control
4. Trigger
5. Document the facts that activate section 29: contributions.

6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 19: Rule 19 — Rate of contributions

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 19 | Official source: section 29.

Section 30: Administrative expenses

Current statutory text

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30.  Administrative expenses.—The types of expenses which may be termed as
expenses and the percentage of the income of the Corporation which may be
be such as may be prescribed by the Central Government and the Corporation
expenses within the limit so prescribed by the Central Government.
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Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for administrative expenses within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 30: administrative expenses.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 16: Rule 16 — Limits for defraying of expenditure

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 20: Rule 20 — Administrative expenses

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 16, Rule 20 | Official source: section 30.

Section 31: Provisions as to payment of contributions by employer, etc.

Current statutory text

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31. Provisions as to payment of contributions by employer etc.— (1) The em
respect of every employee, whether directly employed by him or by or throu
employer's contribution and the employee's contribution.

    (2) Notwithstanding anything contained in any other law for the time b
provisions of this Code and the rules and regulations, if any, made thereu
shall, in the case of an employee directly employed by him (not being an e
to recover from the employee the employee's contribution by reduction from

    Provided that no such deduction shall be made from any wages other tha
or part of the period in respect of which the contribution is payable or i
employee's contribution for the period.

    (3) Notwithstanding any contract to the contrary, neither the employer
entitled to deduct the employer's contribution from any wages payable to a
recover it from him.

    (4) Any sum deducted by the employer from wages under this Chapter sha
entrusted to him by the employee for the purpose of paying the contributio
deducted.

    (5) The employer shall bear the expenses of remitting the contribution

    (6) An employer, who has paid contribution in respect of an employee e
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contractor, shall be entitled to recover the amount of the contribution so
contribution as well as the employee's contribution, if any,) from the con
any amount payable to him by the employer under any contract, or as a debt

    (7) The contractor shall maintain a register of employees employed by
the regulations and submit the same to the employer before the settlement
sub-section (6).

    (8) In the case referred to in sub-section (6), the contractor shall b
contribution from the employee employed by or through him by deduction fro
subject to such conditions as specified in the proviso to sub-section (2).

    (9) Subject to the provisions of this Code, the Corporation may make r
or incidental to the payment and collection of contributions payable under
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Finin2min clause-by-clause decode

1. Legal test 1
2. Employer remains the primary remittance control owner even where the employee share is recoverable from wages.
3. Implementation control
4. Trigger
5. Document the facts that activate section 31: provisions as to payment of contributions by employer, etc..
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 31.

Section 32: Benefits

Current statutory text

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32. Benefits.— (1) Subject to the provisions of this Code, the Insured Per
persons hereinafter mentioned, as the case may be, shall be entitled to th

        (a) periodical payments to any Insured Person in case of his sickn
    medical practitioner or by any other person possessing such qualificat
    Corporation may, by the regulations, specify in this behalf (hereinaft

        (b) periodical payments to an Insured Person being a woman in case
    or sickness arising out of pregnancy, confinement, premature birth of
    being certified to be eligible for such payments by an authority speci
    (hereinafter referred to as maternity benefit);

         (c) periodical payments to an Insured Person suffering from disab
   employment injury sustained by him as an employee for the purposes of t
   be eligible for such payments by an authority specified in this behalf
    referred to as disablement benefit);

        (d) periodical payments to such dependants of an Insured Person wh
   employment injury sustained by him as an employee for the purposes of t
    under this Chapter (hereinafter referred to as dependents’ benefit);

         (e) medical treatment for and attendance on Insured Persons (here
    benefit); and

          (f) payment to the eldest surviving member of the family of an I
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    towards the expenditure on the funeral of the deceased Insured Person,
    did not have a family or was not living with his family at the time of
    actually incurs the expenditure on the funeral of the deceased Insured
    expenses):

    Provided that the amount of payment under this clause shall not exceed
prescribed by the Central Government and the claim for such payment shall
of the death of the Insured Person or within such extended period as the C
authority authorised by it in this behalf may allow.

    (2) The Corporation may, subject to such conditions as may be laid dow
medical benefits to the family of an Insured Person.

    (3) The qualification of a person to claim sickness benefit, maternity
dependants' benefit and the conditions subject to which such benefit may b
thereof, shall be such as may be prescribed by the Central Government.

    (4) Subject to the provisions of this Code and the rules made thereund
Corporation may make regulations for any matter relating or incidental to
benefits payable under this Chapter.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. Each benefit has its own qualifying contribution/insurance conditions and evidence pathway; benefit names are not interchangeable.
3. Implementation control
4. Trigger
5. Document the facts that activate section 32: benefits.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 21: Rule 21 — Limit for funeral expenses

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 22: Rule 22 — Qualification for claiming benefits

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 21, Rule 22 | Official source: section 32.

Section 33: Corporation's power to promote measures for health, etc., of Insured Persons

Current statutory text

```
33. Corporation’s power to promote measures for health,  etc., of Insured
Corporation may, in addition to the benefits specified in  this Chapter, p
improvement of the health and welfare of Insured Persons and for the rehab
Insured Persons who have been disabled or injured and may incur in respect



from the Employees' State Insurance Fund within such limits as may be pres
Government.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for corporation’s power to promote measures for health, etc., of insured persons within the Employees’ State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 33: corporation’s power to promote measures for health, etc., of insured persons.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

Following a workplace event, the incident controller first protects life and the site, then completes statutory reporting, evidence preservation, medical documentation, contractor allocation and root-cause action without waiting for a compensation dispute.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 33.

Section 34: Presumption as to accident arising in course of employment

Current statutory text

```
34. Presumption as to accident arising in course of employment.—(1) For th
Chapter, an accident arising in the course of an employee's employment sha
of evidence to the contrary, to have arisen out of that employment.

    (2) An accident happening to an employee in or about any premises at w
employed for the purpose of his employer's trade or business shall be deem
course of his employment, if it happens while he is taking steps, on an ac
those premises, to rescue, succour or protect persons who are, or are thou
or imperilled, or to avert or minimise serious damage to property.

    (3) An accident occurring to an employee while commuting from his resi
employment for duty or from the place of employment to his residence after
deemed to have arisen out of and in the course of employment if nexus betw
and place in which the accident occurred and the employment is established

    (4) An accident happening while an employee is, with the express or im
employer, travelling as a passenger by any vehicle to or from his place of
he is under no obligation to his employer to travel by that vehicle, be de
course of his employment, if—

      (a) the accident would have been deemed so to have arisen had he bee

      (b) at the time of the accident, the vehicle—

               (i) is being operated by or on behalf of his employer or so
       provided in pursuance of arrangements made with his employer; and

                (ii) is not being operated in the ordinary course of publi

    Explanation.—In this section, “vehicle” includes a vessel and an aircr
```

Finin2min clause-by-clause decode

1. Legal test 1
2. The presumption assists employment nexus but must be evaluated against time, place, course of employment and contrary evidence.
3. Implementation control
4. Trigger
5. Document the facts that activate section 34: presumption as to accident arising in course of employment.

6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

Following a workplace event, the incident controller first protects life and the site, then completes statutory reporting, evidence preservation, medical documentation, contractor allocation and root-cause action without waiting for a compensation dispute.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 34.

Section 35: Accidents happening while acting in breach of law, etc.

Current statutory text

```
35. Accidents happening while acting in breach of law etc.— An accident sh
out of and in the course of an employee's employment notwithstanding that
acting in contravention of the provisions of any law applicable to him, or
behalf of his employer or that he is acting without instructions from his

        (a) the accident would have been deemed so to have arisen had the
    contravention as aforesaid or without instructions from his employer,

        (b) the act is done for the purpose of and in connection with the
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for accidents happening while acting in breach of law, etc. within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 35: accidents happening while acting in breach of law, etc..
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

Following a workplace event, the incident controller first protects life and the site, then completes statutory reporting, evidence preservation, medical documentation, contractor allocation and root-cause action without waiting for a compensation dispute.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 35.

Section 36: Occupational disease

Current statutory text

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36. Occupational disease.—(1) If an employee employed in any employment sp
the Third Schedule contracts any disease specified therein as an occupatio
employment, or if an employee employed in the employment specified in Part
continuous period of not less than six months contracts any disease specif
disease peculiar to that employment or if an employee employed in any empl
that Schedule for such continuous period as the Corporation may specify by
such employment, contracts any disease specified in such Part C as an occu
employment, the contracting of the disease shall, unless the contrary is p
“employment injury “, arising out of and in the course of employment.

    (2) Save as provided by sub-section (1), no benefit shall be payable t
disease unless the disease is directly attributable to a specific injury b
course of his employment.

    (3) The provisions of sub-section (1) of section 34 shall not apply to
applies.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. Match the disease, scheduled employment and exposure history to the Third Schedule and applicable medical evidence.
3. Implementation control
4. Trigger

5. Document the facts that activate section 36: occupational disease.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 36.

Section 37: References to medical board

Current statutory text

37. References to medical board.— (1) Any question—

(a) whether the relevant accident has resulted in permanent disablem

(b) whether the extent of loss of earning capacity can be assessed p

(c) whether the assessment of the proportion of the loss of earning

(d) in the case of provisional assessment, as to the period for whic

shall be determined by a medical board constituted in accordance with the (hereinafter referred to as medical board) and any such question shall her "disablement question".

(2) The case of any Insured Person for permanent disablement benefit s Corporation to a medical board for determination of the disablement in que subsequent reference, the extent of loss of earning capacity of the Insure it shall again be so referred to the medical board not later than the end the provisional assessment.

(3) Any decision under this Chapter of a medical board may be reviewed board if it is satisfied by fresh evidence that the decision was given in or misrepresentation by the employee or any other person of a material fac misrepresentation was or was not fraudulent.

(4) Any assessment of the extent of the disablement resulting from the also be reviewed by a medical board if it is satisfied that since the maki a substantial and unforeseen aggravation of the results of the relevant in

Provided that an assessment shall not be reviewed under this sub-secti the opinion, having regard to the period taken into account by the assessm the aggravation aforesaid, that substantial injustice will be done by not

(5) Except with the leave of a medical appeal tribunal constituted by not be reviewed under sub-section (4) on any application made less than fi provisional assessment, six months, from the date thereof and on such a re account by any revised assessment shall not include any period before the

(6) Subject to the foregoing provisions of this section, a medical boa in any manner in which it could deal with it on an original reference to i provisional assessment notwithstanding that the assessment under review wa sub-section (2) shall apply to an application for review under this sub-se board in connection with such application as they apply to a case for disa section and to a decision of the medical board in connection with such cas

(7) (a) If the Insured Person or the Corporation is aggrieved by any d Insured Person or the Corporation, as the case may be, may appeal in such

```
may be prescribed by the Central Government to—

        (i) the medical appeal tribunal constituted in accordance with the

        (ii) the Employees' Insurance Court directly:

    Provided that no appeal by an Insured Person shall lie under this sub-
for commutation of disablement benefit on the basis of the decision of the
commuted value of such benefits:

    Provided further that no appeal by the Corporation shall lie under thi
paid the commuted value of the disablement benefit on the basis of the dec

    (b) Where the Insured Person or the Corporation preferred appeal to th
sub-clause (i) of clause (a) instead of to the Employees' Insurance Court
then, he or it, as the case may be, shall have the further right to file s
Insurance Court in such manner and within such time as may be prescribed b
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for references to medical board within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 37: references to medical board.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 23: Rule 23 — Appeal to Medical Appeal Tribunal

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 24: Rule 24 — Second appeal to Employees' Insurance Court

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 23, Rule 24 | Official source: section 37.

Section 38: Dependants’ benefit

Current statutory text

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38. Dependants’ benefit.—(1) If an Insured Person dies as a result of an e
as an employee under this Chapter (whether or not he was in receipt of any


temporary disablement in respect of the injury), dependants' benefit shall
specified in sub-clause (a) and sub-clause (b) of clause (24) of section 2
and subject to such conditions as may be prescribed by the Central Governm

    (2) In case the Insured Person dies without leaving behind him the dep
dependants' benefit shall be paid to the other dependants of the deceased
and subject to such conditions as may be prescribed by the Central Governm

    (3) Any decision awarding dependants' benefit under this Chapter may b
Corporation if it is satisfied by fresh evidence that the decision was giv
or misrepresentation by the claimant or any other person of a material fac
misrepresentation was or was not fraudulent) or that the decision is no lo
Chapter due to any birth or death or due to the marriage, re-marriage, or
of the age of twenty-five years by, a claimant.
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    (4) Subject to the provisions of this Chapter, the Corporation may, on
(3), direct that the dependants' benefit be continued, increased, reduced
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Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for dependants’ benefit within the Employees’ State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 38: dependants’ benefit.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/

officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 38.

Section 39: Medical benefit

Current statutory text

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39. Medical benefit.—(1) An Insured Person or (where such medical benefit
a member of his family whose condition requires medical treatment and atte
receive medical benefit.

    (2) Such medical benefit may be given either in the form of out-patien
hospital or dispensary, clinic or other institution or by visits to the ho
as in-patient in a hospital or other institution.

    (3) The qualification of an Insured Person and (where such medical ben
his family, to claim medical benefit and the conditions subject to which s
and period thereof shall be such as may be prescribed by the Central Gover

    Provided that a person in respect of whom contribution ceases to be pa
allowed medical benefit for such period and of such nature as may be provi

    Provided further that an Insured Person who has attained the age of su
under a Voluntary Retirement Scheme or takes premature retirement, and his
receive medical benefits subject to payment of contribution and such other
in the regulations:

    Provided also that an Insured Person who ceases to be in insurable emp
permanent disablement caused due to employment injury shall continue to re
to payment of contribution and other conditions as may be prescribed by th

    Provided also that the conditions for grant of medical benefits to the
injury shall be as specified in the regulations.

    (4) (a) The Corporation may establish medical education institutions,
colleges, nursing colleges and the training institutes for its officers an
quality of their services.

    (b) The medical education institutions referred to in clause (a) shall
bond for serving the Corporation for such time and in such manner, as may

    (5) The medical education institutions and training institutes referre
by the Corporation itself or on the request of the Corporation, by the Cen
Government, Public Sector Undertaking of the Central Government or the Sta
body notified by the Central Government.

   Explanation.—For the purposes of this sub-section, the expression “othe
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organisation of persons which the Central Government considers capable to
institutions referred to in sub-section (4).



    (6) The Corporation may, in order to take preventive and curative meas
Persons, carry out such occupational and epidemiological surveys and studi
working conditions of Insured Persons in such manner as may be specified i
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for medical benefit within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 39: medical benefit.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 25: Rule 25 — Qualification and other conditions of insured person and family for claiming medical benefit

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.

- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 25 | Official source: section 39.

Section 40: Provision of medical treatment by State Government or by Corporation

Current statutory text

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40. Provision of medical treatment by State Government or by Corporation.—
Government shall provide for Insured Persons and (where such benefit is ex
families in the State, reasonable medical, surgical and obstetric treatmen

    Provided that the State Government may, with the approval of the Corpo
treatment at clinics of medical practitioners on such scale and subject to
be agreed upon.

    (2) Where the incidence of sickness benefit payment to Insured Persons
the all-India average, the amount of such excess shall be shared between t
Government in such proportion as may be fixed by agreement between them:

    Provided that the Corporation may in any case waive the recovery of th
which is to be borne by the State Government.

    (3) The Corporation may enter into an agreement with a State Governmen
scale of the medical treatment that should be provided to Insured Persons
is extended to the families) their families (including provision of buildi
staff) and for the sharing of the cost thereof and of any excess in the in
Persons between the Corporation and the State Government.

    (4) In default of agreement between the Corporation and any State Gove
and extent of the medical treatment to be provided by the State Government
the cost thereof and of the excess in the incidence of sickness benefit sh
Corporation and that Government, shall be determined by an arbitrator who
Central Government in consultation with the State Government.

    (5) The State Government may, in addition to the Corporation under thi
approval of the Central Government, establish such organisation (by whatev
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certain benefits to employees in case of sickness, maternity and employmen

Provided that any reference to the State Government in this Code relat include reference to the organisation as and when such organisation is est

(6) The organisation referred to in sub-section (5) shall have such st exercise powers and undertake such activities as may be prescribed by the

(7) The Corporation may establish and maintain in a State such hospita medical and surgical services as it may think fit for the benefit of Insur benefit is extended to their families), their families.

(8) The Corporation may enter into agreement with any local authority, regard to the provision of medical treatment and attendance for Insured Pe benefit is extended to their families) their families, in any area and sha

(9) The Corporation may also enter into agreement with any local autho for commissioning and running Employees' State Insurance hospitals through providing medical treatment and attendance to Insured Persons and (where s extended to their families), to their families.

(10) Notwithstanding anything contained in any other provision of this in consultation with the State Government, undertake the responsibility fo Insured Persons and (where such medical benefit is extended to their famil Insured Persons in the State subject to the condition that the State Gover medical benefit in such proportion as may be agreed upon between the State Corporation.

(11) In the event of the Corporation exercising its power under sub-se to medical benefit under this Chapter shall apply, so far as may be, as if Government were a reference to the Corporation.

(12) Notwithstanding anything contained in this Code, in respect of es where medical benefit is provided by the Corporation, the Central Governme Government.

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for provision of medical treatment by state government or by corporation within the Employees’ State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.

7. Implementation control
8. Trigger
9. Document the facts that activate section 40: provision of medical treatment by state government or by corporation.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 25: Rule 25 — Qualification and other conditions of insured person and family for claiming medical benefit

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 26: Rule 26 — Employees' State Insurance Society

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 25, Rule 26 | Official source: section 40.

Section 41: General provisions as to benefits

Current statutory text

41. General provisions as to benefits.—(1) Save as may be provided in the
shall be entitled to commute for a lump sum any disablement benefit admiss

(2) Save as may be provided in the regulations, no person shall be ent
disablement benefit for temporary disablement on any day on which he works
holiday in respect of which he receives wages or on any day on which he re

(3) A person who is in receipt of sickness benefit or disablement bene
permanent disablement) —

(a) shall remain under medical treatment at a dispensary, hospital
provided under this Chapter, and shall carry out the instructions give
attendant in-charge thereof;

(b) shall not while under treatment do anything which might retard
recovery;

(c) shall not leave the area in which medical treatment provided
without the permission of the medical officer, medical attendant or su
specified in this behalf by the regulations; and

(d) shall allow himself to be examined by any duly appointed medic
authorised by the Corporation in this behalf.

(4) An Insured Person shall not be entitled to receive for the same pe

(a) both sickness benefit and maternity benefit; or

(b) both sickness benefit and disablement benefit for temporary di

(c) both maternity benefit and disablement benefit for temporary

(5) Where a person is entitled to more than one of the benefits mentio
entitled to choose which benefit he shall receive.

(6) If a person dies during any period for which he is entitled to a c
amount of such benefit up to and including the day of his death shall be p
the deceased person in writing in such form as may be specified in the reg
nomination, to the heir or legal representative of the deceased person.
(7) (a) Any person eligible for availing ‗dependants’ benefitor or di
shall not be entitled to claim Employees’ Compensation from his employer u

(b) Any women employee eligible for availing maternity benefit under t
to claim maternity benefit from her employer under Chapter VI.

(8) Where any person has received any benefit or payment under this Ch
entitled thereto, he shall be liable to repay to the Corporation the value

payment, or in the case of death, his legal representative shall be liable
the deceased devolved on him.

(9) The value of any benefits received other than cash payments shall
as may be specified in the regulations made in this behalf and the decisio

By Corrigenda dated 29-9-2020.

(10) The amount recoverable under this section may be recovered in the
sections 129 to 132.

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for general provisions as to benefits within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 41: general provisions as to benefits.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.

- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 41.

Section 42: Corporation's rights when an employer fails to register, etc.

Current statutory text

```
42. Corporation's rights when an employer fails to register, etc.— (1) If

      (a) fails or neglects to insure under section 28, an employee at the
    such extended period as may be prescribed by the Central Government, a
   employee becomes disentitled to any benefit under this Chapter; or

      (b) insures under section 28, an employee on or after the date of ac
    injury to such employee which has the effect of making such employee d
    dependants benefit or disablement benefit from the Corporation; or

       (c) fails or neglects to pay any contribution which under this Chap
   any employee and by reason thereof such employee becomes disentitled to
    entitled to a benefit on a lower scale,

then, the Corporation may, on being satisfied in the manner prescribed by
benefit is payable to the employee, pay to the employee benefit at such ra
have been entitled if the failure or neglect would not have occurred, and
to recover from the employer, subject to the employer being given an oppor
capitalised value of the benefit paid to the employee, to be calculated in
by the Central Government:

    Provided that the capitalised value to be calculated may be adjusted f
and interest or damages that the employer is liable to pay for delay in th
such contribution.

    (2) The amount recoverable under this section may be recovered as if i
or recovered in the manner specified under sections 129 to 132.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. An employer's registration or contribution failure can shift benefit cost to the Corporation initially and create a recovery exposure against the employer.
3. Implementation control
4. Trigger
5. Document the facts that activate section 42: corporation's rights when an employer fails to register, etc..
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/

officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 42.

Section 43: Liability of owner or occupier of factories, etc., for excessive sickness benefit

Current statutory text

```
43. Liability of owner or occupier of factories, etc., for excessive sickn
Corporation considers that the incidence of sickness among Insured Persons

      (a) insanitary working conditions in a factory or other establishmen
    occupier of the factory or other establishment to observe any health r
    under any enactment for the time being in force, or

      (b) insanitary conditions of any tenements or lodgings occupied by I
    insanitary conditions are attributable to the neglect of the owner of
   any health regulations enjoined on him by or under any enactments for t

then, the Corporation may send to the owner or occupier of the factory or
owner of the tenements or lodgings, as the case may be, a claim for the pa
expenditure incurred by the Corporation as sickness benefit; and if the cl
the Corporation may refer the matter, with a statement in support of  its
Government.

    (2) If the appropriate Government is of the opinion that a prima facie
may appoint a competent person  or persons  to hold an  inquiry  into  the
sub-section (1).

    (3) If upon inquiry under sub-section (2), it is proved to the satisfa
the inquiry that the excess in incidence of sickness among the Insured Per
of the owner or occupier of the factory or other establishment or the owne
the case may be, the said person or persons shall determine, the amount of
as sickness benefit as well as the person or persons by whom the whole or
paid to the Corporation.

    (4) A determination under sub-section (3) may be enforced as if it wer
passed in a suit by a Civil Court.



    (5) For the purposes of this section, “owner” of tenements or lodgings
owner and any person who is entitled to collect the rent of the tenements
owner.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for liability of owner or occupier of factories, etc., for excessive sickness benefit within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 43: liability of owner or occupier of factories, etc., for excessive sickness benefit.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 43.

Section 44: Scheme for other beneficiaries

Current statutory text

```
44. Scheme for other beneficiaries.—Notwithstanding anything contained in
Government may, by notification, frame, amend, vary or rescind scheme for
members of their families for providing medical facility in any hospital e
any area which is underutilised on payment of user charges, and prescribe
to which the scheme may be operated.

    Explanation.— For the purposes of this section,—

        (a) “other beneficiaries” means persons other than employees insur

        (b) “underutilised hospital” means any hospital not fully utilised
    section 28; and

         (c) “user charges” means the amount which is to be charged from o
     facilities as may be specified in the regulations after prior approva
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for scheme for other beneficiaries within the Employees’ State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 44: scheme for other beneficiaries.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 28: Rule 28 — Terms and conditions for operation of scheme for other beneficiaries

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 28 | Official source: section 44.

Section 45: Scheme for unorganised workers, gig workers and platform workers

Current statutory text

```
45. Schemes for unorganized workers, gig workers and platform workers.— (1
anything contained in this Chapter, the Central Government may, by notific
unorganised workers, gig workers and platform workers and the members of t
benefits admissible under this Chapter by the Corporation.

    (2) The contribution, user charges, scale of benefits, qualifying and
terms and conditions subject to which the scheme may be operated shall be
scheme.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This is an enabling scheme provision; eligibility and benefit cannot be claimed without the operative scheme, funding and registration framework.
3. Implementation control

4. Trigger
5. Document the facts that activate section 45: scheme for unorganised workers, gig workers and platform workers.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 28: Rule 28 — Terms and conditions for operation of scheme for other beneficiaries

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 28 | Official source: section 45.

Section 46: Exemption of factories or other establishments belonging to Government or any local authority

Current statutory text

```
46. Exemption of factories or other establishments belonging to Government
authority.—The appropriate Government may, after consultation with the Cor
subject to such conditions as may be specified in the notification, exempt
belonging to the Government or any local authority, from the operation of
any such factory or other establishment are otherwise in receipt of benefi
to the benefits provided under this Chapter.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for exemption of factories or other establishments belonging to government or any local authority within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 46: exemption of factories or other establishments belonging to government or any local authority.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 46.

Section 47: Contributions, etc., due to Corporation to have priority over other debts

Current statutory text

```
47. Contributions, etc., due to Corporation to have priority over other de
anything contained in any other law for the time being in force, any amoun
the charge on the assets of the establishment to which it relates and shal
with the provisions of the Insolvency and Bankruptcy Code, 2016 (31 of 201
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for contributions, etc., due to corporation to have priority over other debts within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger

9. Document the facts that activate section 47: contributions, etc., due to corporation to have priority over other debts.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 47.

Section 48: Constitution of Employees’ Insurance Court

Current statutory text

```
48. Constitution of Employees’ Insurance Court.—(1) The State Government s
constitute an Employees' Insurance Court for such local area as may be spe

    (2) The Employees’ Insurance Court shall consist of such number of Jud
may think fit.
```

(3) Any person who is or has been a judicial officer or is a legal pra
be qualified to be a Judge of the Employees' Insurance Court.

(4) The State Government may appoint the same Court for two or more lo
Employees’ Insurance Courts for the same local area.

(5) Where more than one Employees’ Insurance Court has been appointed
State Government may by general or special order regulate the distribution

Finin2min clause-by-clause decode

1. Legal test 1
2. Jurisdiction and constitution of the Employees’ Insurance Court must be established before filing.
3. Implementation control
4. Trigger
5. Document the facts that activate section 48: constitution of employees’ insurance court.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner
9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 24: Rule 24 — Second appeal to Employees’ Insurance Court

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 29: Rule 29 — Proceedings before Employees’ Insurance Court, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 24, Rule 29 | Official source: section 48.

Section 49: Matters to be decided by Employees' Insurance Court

Current statutory text

```
49.Matters to be decided by Employees’ Insurance Court.—(1) If any questio
arises as to—

        (a) whether any person is an employee within the meaning of this C
    whether he is liable to pay the employee's contribution; or

        (b) the rate of wages or average daily wages of an employee for th


         (c) the rate of contribution payable by an employer in respect of
    or

        (d) the person who is or was the employer in respect of any employ
    Chapter; or

         (e) the right of any person to any benefit under this Chapter and
    thereof; or

          (f) any direction issued by the Corporation on a review of any p
     this Chapter; or
```

(g) any other matter which is in dispute between an employer and t Chapter, or between an employer and a Contractor relating to this Chap Corporation relating to this Chapter or between an employee and an emp this Chapter, in respect of any contribution or benefit or other dues Code relating to this Chapter; or

(h) claim for the recovery of contributions from the employer unde Chapter; or

(i) claim under sub-section (8) of section 41 for the recovery o received by a person when he is not lawfully entitled thereto; or

(j) claim against an employer under section 42; or

(k) order of the appellate authority under section 126 in respect

(l) claim by an employer to recover contributions from any contr this Chapter; or

(m) any other claim for the recovery of any benefit admissible unde be decided by the Employers' Insurance Court.

(2) No matter which is in dispute between an employer and the Corporat contribution or any other dues under this Chapter shall be raised by the e Insurance Court unless he has deposited with that Court fifty per cent. of claimed by the Corporation:

Provided that the Employees' Insurance Court may, for reasons to be re reduce the amount to be deposited under this sub-section.

(3) No Civil Court shall have jurisdiction to decide or deal with any sub-section (1) or to adjudicate on any liability which by or under this C decided by a medical board, or by a medical appeal tribunal or by the Empl

Finin2min clause-by-clause decode

1. Legal test 1
2. Separate matters reserved for the ESI Court from administrative or medical-board disputes.
3. Implementation control
4. Trigger
5. Document the facts that activate section 49: matters to be decided by employees’ insurance court.
6. Coverage and jurisdiction
7. Identify establishment, employee/worker category, appropriate Government, First Schedule threshold and territorial authority.
8. Decision owner

9. Assign a named owner for ESI insurance, contributions, benefits and adjudication; identify HR, payroll, finance, legal, contractor and authorised-signatory roles.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 24: Rule 24 — Second appeal to Employees' Insurance Court

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Central Rule 29: Rule 29 — Proceedings before Employees' Insurance Court, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 24, Rule 29 | Official source: section 49.

Section 50: Powers of Employees’ Insurance Court

Current statutory text

```
50. Powers of Employees’ Insurance Court.— (1) The Employees' Insurance Co
powers of a Civil Court for the purposes of summoning and enforcing the at
compelling the discovery and production of documents and material objects,
recording evidence and such court shall be deemed to be a Civil Court with
and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).

    (2) The Employees' Insurance Court shall follow such procedure as may
Government.

    (3) All costs incidental to any proceeding before an Employees' Insura
rules as may be made in this behalf by the State Government, be in the dis

    (4) An order of the Employees' Insurance Court shall be enforceable by
in a suit by a Civil Court.
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for powers of employees’ insurance court within the Employees’ State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 50: powers of employees’ insurance court.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 29: Rule 29 — Proceedings before Employees’ Insurance Court, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 29 | Official source: section 50.

Section 51: Proceedings of Employees’ Insurance Courts

Current statutory text

```
51. Proceedings  of Employees’ Insurance Courts.—(1) The manner  of commen
proceedings before the Employees’ Insurance Court, fees and procedure ther
prescribed by the appropriate Government:


    Provided that the limitation for initiating the proceedings by the agg
Insurance Court shall be three years from the date on which the cause of a

    Provided further that the “arising of cause of action” in respect of a
dependants; by the Corporation for recovering contribution (including inte
employer; and the claim by the employer for recovering contributions from
which such claims, recovery or contribution, from employer by the Corporat
contribution by the employer from the Contractor, shall be as specified in

    (2) Any application, appearance or act required to be made or done by
Employees' Insurance Court (other than appearance of a person required for
```

```
as a witness) may be made or done by a legal practitioner or by an officer
authorised in writing by such person or with the permission of that Court,

    (3) An Employees' Insurance Court may submit any question of law for t
and if it does so shall decide the question pending before it in accordanc
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for proceedings of employees' insurance courts within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control
8. Trigger
9. Document the facts that activate section 51: proceedings of employees' insurance courts.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 29: Rule 29 — Proceedings before Employees' Insurance Court, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.

- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 29 | Official source: section 51.

Section 52: Appeal to High Court

Current statutory text

```
52. Appeal to High Court.— (1) Save as expressly provided in this section,
an order of an Employees' Insurance Court.

    (2) An appeal shall lie to the High Court from an order of an Employee
a substantial question of law.

    (3) The appeal shall be filed under this section within a period of si
made by the Employees' Insurance Court.

    (4) The provisions of sections 5 and 12 of the Limitation Act, 1963 (3
under this section.

    (5) Where the Corporation has presented an appeal against an order of
that Court may, and if so directed by the High Court, shall, pending the d
payment of any sum directed to be paid by the order appealed against.

                            CHAPTER V
                                   GRATUITY
```

Finin2min clause-by-clause decode

1. Legal test 1
2. This section allocates legal responsibility for appeal to high court within the Employees' State Insurance Corporation Chapter.
3. Legal test 2
4. Identify the statutory trigger, person obligated, authority, timing, exceptions and documentary output before applying the provision.
5. Legal test 3
6. Read every subsection, proviso, explanation and linked Schedule in the official text; the heading alone is not the legal test.
7. Implementation control

8. Trigger
9. Document the facts that activate section 52: appeal to high court.
10. Coverage and jurisdiction

Applicable Central Rules immediately below the provision

Central Rule 29: Rule 29 — Proceedings before Employees' Insurance Court, etc.

Rule mapping is retained; read the official 2026 Gazette for the exact sub-rule text and forms.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 29 | Official source: section 52.

Rules, forms, registers, portals and due dates

Rule	Subject	Text/control status
14	Rule 14 — Salary and allowances of Director General and Financial Commissioner	Source-controlled mapping
15		

Rule	Subject	Text/control status
	Rule 15 — Investment of Employees’ State Insurance Fund or any other money held by Corporation	Source-controlled mapping
16	Rule 16 — Limits for defraying of expenditure	Source-controlled mapping
17	Rule 17 — Holding of property, etc.	Source-controlled mapping
18	Rule 18 — Insurance of employees	Source-controlled mapping
19	Rule 19 — Rate of contributions	Source-controlled mapping
20	Rule 20 — Administrative expenses	Source-controlled mapping
21	Rule 21 — Limit for funeral expenses	Source-controlled mapping
22	Rule 22 — Qualification for claiming benefits	Source-controlled mapping
23	Rule 23 — Appeal to Medical Appeal Tribunal	Source-controlled mapping
24	Rule 24 — Second appeal to Employees’ Insurance Court	Source-controlled mapping
25	Rule 25 — Qualification and other conditions of insured person and family for claiming medical benefit	Source-controlled mapping
26	Rule 26 — Employees’ State Insurance Society	Source-controlled mapping
28	Rule 28 — Terms and conditions for operation of scheme for other beneficiaries	Source-controlled mapping
29	Rule 29 — Proceedings before Employees’ Insurance Court, etc.	Source-controlled mapping

Forms and registers must be confirmed from the appended 2026 Central Rules and the live portal applicable to the appropriate Government. A form is not treated as current merely because an earlier law used the same number.

Notifications and effective-date history

Control	Required action
Enactment	Record Act number, assent and Gazette publication.
Commencement	

	Use the provision-specific commencement notification; the four Codes became broadly operative from 21 November 2025 subject to earlier partial commencement and corrigenda.
Central Rules	Read the applicable 2026 Central Rules from their Gazette date and verify subsequent amendments.
State instrument	Check final State Rules, authority notifications, forms and rates where the State is appropriate Government.

Old-law/new-Code concordance

Predecessor law	Transition control
Employees’ Compensation Act, 1923	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Employees’ State Insurance Act, 1948	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
EPF and MP Act, 1952	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Employment Exchanges Act, 1959	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Maternity Benefit Act, 1961	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Payment of Gratuity Act, 1972	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Cine Workers Welfare Fund Act, 1981	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
BOCW Welfare Cess Act, 1996	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Unorganised Workers’ Social Security Act, 2008	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.

Practical calculations and control file

Calculation sequence

1. Freeze the employee/worker population and event date.
2. Apply the statutory wage/benefit base and notified threshold.
3. Reconcile attendance, service, payroll and contractor records.
4. Calculate principal amount, interest/damages and any statutory compensation separately.
5. Obtain legal/payroll approval and retain the versioned worksheet.

Three-owner sign-off

- **Employer/HR:** facts, classification, communication and workflow.
- **Employee/worker:** notice, records, nomination/claim and acknowledgement.
- **Professional:** source, formula, forum, limitation and evidence reconciliation.

Binding and highly relevant case-law principles

Older cases are included for principles only. Their continued application must be tested against the current Code wording, repeal-and-savings clause and later judgments.

Decision	Principle and present-use caution
Regional Director, ESI Corporation v. Ramanuja Match Industries	Social-security legislation is beneficial, but coverage and contribution liability still turn on statutory definitions and evidence.
Organo Chemical Industries v. Union of India	Social-security defaults may attract compensatory and deterrent consequences; separate principal contribution, interest, damages and prosecution.
Jeewanlal (1929) Ltd. v. Appellate Authority	Gratuity is a statutory terminal benefit; eligibility and forfeiture require strict application of the governing text.
Municipal Corporation of Delhi v. Female Workers	Maternity protection is interpreted purposively, while present claims must be tested under the Code and current Rules.

State-law variation alerts

- Confirm whether the Central or State Government is the appropriate Government.

- Central Rules do not automatically displace valid State Rules, rates, registers, authorities or portal procedures.
- Minimum-wage rates, holidays, working-hours permissions, licences and local welfare obligations require State-specific verification.
- Record Gazette number, effective date and supersession status in the location compliance register.

Practical transaction application

Use the chapter in hiring, payroll migration, contractor onboarding, M&A diligence, business transfer, employee exits, death/injury claims, gratuity, maternity, gig/platform arrangements and benefit-fund reconciliations. Test coverage and contribution periods at employee and establishment level.

Authority, consent and execution controls

Assign responsibility among the employer, principal employer, payroll owner, authorised officer, nominee/claimant, social-security organisation and competent authority. Board approval or employee consent does not replace statutory registration, contribution, nomination, deposit or claim procedure.

Stamp duty and registration alerts

Contribution records and statutory returns ordinarily do not require registration, but nominations, settlements, assignments, security documents and business-transfer instruments may have separate State stamp or registration implications. Preserve the distinction between benefit filing and instrument validity.

Evidence and document-retention checklist

Retain the operative law/rule version, classification note, approvals, signed instruments, statutory forms, portal acknowledgements, registers, calculations, bank proof, correspondence, inspection records, service proof, decision and appeal file. Apply the longer of the statutory retention rule, litigation hold, tax/audit need and contractual requirement; restrict access to personal and sensitive data.

Performance, delivery and payment controls

Reconcile employee master, wage base, contribution file, challan, bank debit, return, nomination and benefit claim. For exits, deaths, injuries and transfers, create an event-date checklist with owner, statutory clock, documentary dependency and payment evidence.

Breach, loss, mitigation and remedy framework

On detecting a breach, stop continuing exposure, preserve evidence, quantify employee and government dues, identify affected persons, make lawful corrective payment/filing, notify the authorised decision-maker, assess self-disclosure or compounding where available, and reserve contractual recovery against responsible vendors without delaying statutory remediation.

Limitation and forum controls

Use the designated social-security authority, competent authority, tribunal or appellate forum. Track assessment, determination, recovery, benefit rejection and appeal dates independently; a contractual forum clause cannot defeat the statutory remedy.

Arbitration and mediation interface

Mediation may narrow factual or computation disputes but cannot waive mandatory contributions, statutory benefit eligibility, recovery powers or offences. Any settlement must identify what remains subject to authority approval or statutory adjudication.

Company, partnership, GST and tax overlays

For a company, align board/delegation and officer-in-default controls; for an LLP or partnership, identify the designated partner/partner and authorised employer representative. Labour dues can affect transaction price, indemnities, director/partner exposure and insolvency claims. Salary/TDS, perquisite, contractor TDS, GST on outsourced services and accounting provisions must be reconciled without treating tax treatment as proof of labour-law classification.

Finin2min Q&A

Which law and version should be applied?

Use the current text of Code on Social Security, 2020, the commencement notification, the applicable Central or State Rules and any later instrument effective on the event date.

How is the appropriate Government identified?

Classify ownership/control, sector, establishment and contractor relationship before selecting the Central or State authority.

Can a company policy override the statutory protection?

No. A policy may improve a benefit or control, but it cannot contract out of a mandatory statutory floor.

What evidence should be retained?

Retain the classification memo, source instrument, form/portal record, calculation, approval, employee communication, acknowledgement and payment or authority proof.

Do the Central Rules apply to every establishment?

No. They govern the Central sphere. State Rules and State notifications must be checked where the State is the appropriate Government.

How should a historical event be tested?

Apply the law and subordinate instrument effective on the event date, then use the repeal-and-savings provision for pending rights and proceedings.

What happens when portal practice conflicts with the statute?

Record the conflict, follow the higher legal instrument, seek authority clarification where necessary and preserve screenshots and correspondence.

Can criminal and monetary consequences arise together?

They may. Separate wages/benefits, interest, damages, civil penalty, prosecution, compounding and director/officer liability.

Is a contractor arrangement enough to shift liability?

No. Principal-employer and contractor liabilities depend on the specific provision and facts; the contract should allocate evidence and recovery without diluting worker rights.

What is the first professional review step?

Freeze the event date and facts, identify the applicable provision, then map Rules, forms, notification status, authority, limitation and evidence.

What is the operational focus of section 24 - Principal Officers and other staff?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 25 - Employees’ State Insurance Fund?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 26 - Purposes for which Employees’ State Insurance Fund may be expended?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 27 - Holding of property, etc.?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 28 - All employees to be insured?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 29 - Contributions?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 30 - Administrative expenses?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 31 - Provisions as to payment of contributions by employer, etc.?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

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