



कर्मचारी राज्य बीमा निगम
(श्रम एवं रोजगार मंत्रालय, भारत सरकार)
EMPLOYEES' STATE INSURANCE CORPORATION
(Ministry of Labour & Employment, Govt. of India)



उपक्षेत्रीय कार्यालय मरोल

SUB REGIONAL OFFICE MAROL

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35/BEC/MISC-FILE/23-24/CoSS2020

Date: - 10/12/ 2025

Sub- Implementation of Code on Social Security,2020- reg.

Sir/Madam,

1. The Government of India has implemented the **Code on Social Security, 2020**, which came into effect nationwide on **November 21, 2025**. This landmark legislation consolidates and amends social security laws for all employees across various sectors, including providing medical and financial security benefits as envisaged in Code on Social Security, 2020.

2. In light of this implementation, it is mandatory for all establishments that meet the prescribed criteria under the Code to register themselves with Employees' State Insurance Corporation (ESIC).

3. The Wage terminology has been redefined in the CoSS 2020. As per the section 2 (88) of CoSS 2020 new definition of wage, coverage of employees under ESI Scheme is expected to extend to many excluded employees also. Now, wages s defined as under:

*2 (88) "**wages**" means all remuneration, whether by way of salaries, allowances or otherwise, expressed in terms of money or capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes, —*

- (a) basic pay;*
- (b) dearness allowance; and*
- (c) retaining allowance, if any,*

but does not include—

- (a) any bonus payable under any law for the time being in force, which does not form part of the remuneration payable under the terms of employment;*
- (b) the value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the appropriate Government;*
- (c) any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;*

- (d) any conveyance allowance or the value of any travelling concession;*
- (e) any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;*
- (f) house rent allowance;*
- (g) remuneration payable under any award or settlement between the parties or order of a court or Tribunal;*
- (h) any overtime allowance;*
- (i) any commission payable to the employee;*
- (j) any gratuity payable on the termination of employment;*
- (k) any retrenchment compensation or other retirement benefit payable to the employee or any ex gratia payment made to him on the termination of employment, under any law for the time being in force:*

Provided that for calculating the wages under this clause, if payments made by the employer to the employee under sub-clauses (a) to (i) exceeds one-half, or such other per cent. as may be notified by the Central Government, of the all remuneration calculated under this clause, the amount which exceeds such one-half, or the per cent. so notified, shall be deemed as remuneration and shall be accordingly added in wages under this clause:

Provided further that for the purpose of equal wages to all genders and for the purpose of payment of wages, the emoluments specified in sub-clauses (d), (f), (g) and (h) shall be taken for computation of wage.

Explanation.—Where an employee is given in lieu of the whole or part of the wages payable to him, any remuneration in kind by his employer, the value of such remuneration in kind which does not exceed fifteen per cent. of the total wages payable to him, shall be deemed to form part of the wages of such employee;

4. Therefore, it is advised that:

- a. **Register all eligible employees** working at their premises (as per the eligibility criteria set out under the Code on Social Security, 2020).

- b. **Ensure timely payment** of the contributions so that their workforce receives the necessary benefits under the Code on Social Security, 2020.

5. Immediate compliance is crucial to ensure that employees of your unit can avail of the social security benefits under the new code.

6. You are hereby requested to get registration of coverable but not covered employees including contractual employee under ESI Scheme and facilitate your eligible employees for availing ESIC benefits. Online registration is done through Shram Suvidha Portal(<https://shramsuvudha.gov.in/signupUser>) or ESIC Employer Portal (<https://portal.esic.gov.in/ESICInsurance1/ESICInsurancePortal/ESICSignup.aspx>).

7. This issues with the approval of Joint Director(I/C).

Yours faithfully,

(Somnath Sudhansu)
Dy. Director
Big Employer Cell.