

Employees' State Insurance Corporation (ESIC) approves Amnesty Scheme 2025

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The Employees' State Insurance Corporation (ESIC) approved the Amnesty Scheme 2025—during its 196th ESI Corporation Meeting held in Shimla, Himachal Pradesh, under the chairmanship of Dr. Mansukh Mandaviya, Union Minister for Labour & Employment and Youth Affairs & Sports.

The Amnesty Scheme 2025, approved by the Employees' State Insurance Corporation (ESIC), is a one-time dispute resolution initiative aimed at reducing the backlog of court cases and promoting compliance under the ESI Act. Effective from 1st October 2025 to 30th September 2026, the scheme provides a structured mechanism for employers to settle legal disputes with ESIC outside the courts.

As of 31st March 2025, around 27,000 cases were pending in various courts. The scheme allows:

- Settlement of ad-hoc assessments by paying actual contributions and interest—no damages will be levied.
- Withdrawal of cases where employers have already paid dues, subject to payment of 10% of disputed damages.
- Cases filed by ESIC for non-submission of records or delayed payments, which were later complied with, will also be withdrawn with court permission.
- Court cases filed up to 31.03.2025 are eligible under this scheme.

Importantly, Regional Directors and Sub-Regional Officers have been empowered to process withdrawals during this period.

Before this scheme, limited appeal provisions and a lack of withdrawal powers often prolonged litigation even after compliance. Amnesty 2025 addresses these gaps, offering a practical and employer-friendly route to dispute resolution and supporting the government's broader goal of enhancing ease of doing business.

This proactive step by the ESI Corporation reflects its commitment to strengthening social security and simplifying compliance for employers. The Amnesty Scheme 2025 provides a practical route to resolve long-pending litigations, reduce legal burden, and promote ease of doing business.

Together, these initiatives are a significant move toward inclusive growth, fostering trust between stakeholders and reinforcing ESIC's role as a progressive and responsive social security institution.

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