

REPORT ON THE WORKING OF THE EMPLOYEES' COMPENSATION ACT, 1923 FOR THE YEAR 2014

1. Introduction

The Workmen's Compensation Act, 1923 (Employees' Compensation Act w.e.f. 31-5-2010), which aims at providing financial protection to the employee's and/or their dependents in case of accidents arising out of and in the course of employment and causing either death or disablement of employee's, came into force on 1st July, 1924. Besides, the Act has a provision of paying compensation to the employee's for some occupational diseases contracted by them during the course of their employment.

Labour Bureau has been bringing out reviews/reports on the working of the Act based on the returns received from State Governments /Union Territories every year. The present report is for the year 2014.

2. Main Provisions and Scope of the Act:

2.1 The Act extends to the whole of India and applies to workers employed in any capacity specified in Schedule II of the Act which includes Factories, Mines, Plantations, Mechanically Propelled Vehicles, Construction Work and certain other hazardous occupations and specified categories of Railway Servants. There is no wage limit for coverage of workers under the Act. It does not, however, apply to (i) persons serving in Armed Forces and (ii) workers covered by the Employees' State Insurance Act, 1948.

2.2 The State Governments administer the provisions of this Act through the Commissioners appointed for specified areas. The Commissioners thus appointed are empowered for (i) settlement of disputed claims, (ii) disposal of cases of injuries involving death, and (iii) revision of periodical payments. They are also empowered to impose penalty on employers who fail to pay compensation due to the injured workers within one month.

2.3 Sub-section (3) of Section 2 of the Act, empowers the State Governments to extend the scope of the Act to any class of persons whose occupations are considered hazardous after giving three months' notice, to be published in the Official Gazette. Similarly, under Section 3(3) of the Act, the State Governments are also empowered to add any other disease to the list mentioned in Parts A and B of Schedule-II, and the Central Government, in case of employments specified in Part C of Schedule-III of the Act. Besides, the State Governments also make rules for ensuring that the provisions of the Act are complied with.

2.4 The amount of compensation payable to an employee depends on the nature of injury caused by accident, the monthly wage and the age of the employee concerned. In case of death, the minimum amount of compensation fixed is Rs.1,20,000 whereas it is Rs.1,40,000 in case of permanent total disablement. These enhanced rates of compensation have come into force w.e.f. 18th January 2010. The wage ceiling limit for working out compensation has been increased from Rs.4,000/- to Rs.8,000/- per month w.e.f. 31.05.2010.

2.5 Compensation is payable under Sub-section (i) of Section 3 of the Act by the employers in the case of injury, caused by an accident arising out of and in the course of employment, exceeding 3 days. In cases where the disablement prolongs for 28 days or more, compensation is payable from the date of disablement. No compensation is, however, payable if the injury, not resulting in death, is caused by the fault of the worker, arising from factors such as influence of alcoholic drinks and drugs, willful disobedience of the employees to an order or rule, willful removal or disregard by the employees of any safety guard or other device, etc. Besides, under Sub-section (2) of Section 3 of the Act, compensation is also payable to such workers who contract occupational diseases in the course of their employment as specified in Schedule-III of the Act.

3. Number of Compensated Accidents and the Amount of Compensation Paid

3.1 The total number of compensated accidents and the amount of compensation paid on the basis of States and Union Territories submitting returns at all-India level for the years 2012 to 2014 is presented in Table-1. During 2014, as many as 7587 compensated accidents resulting in death, permanent disablement and temporary disablement were reported by the States and Union Territories and an amount of Rs. 15398.92 lakh was paid as compensation. Out of the total compensated accidents, 33.50% were fatal accidents, 23.74% related to permanent disablement and 42.76% were temporary disablement cases.

Table-1
Number of Compensated Accidents and the Amount of Compensation paid by the Establishments Submitting Returns

Year	Average daily number of workers employed in establishments submitting returns	Number of compensated accidents resulting in				Amount of compensation paid (Rs. in Lakh.)			
		Death	Perma- nent disable- ment	Temp- orary disable- ment	Total	Death	Perma- nent disable- ment	Temp- orary disable- ment	Total
2012	2531962	2592 (40.79)	2676 (42.12)	1086 (17.09)	6354 (100.00)	10078.63	3852.00	631.68	14562.31
2013	3980568	2756 (36.79)	3078 (41.08)	1658 (22.13)	7492 (100.00)	12392.95	4034.87	696.18	17124.00
2014	4156885	2542 (33.50)	1801 (23.74)	3244 (42.76)	7587 (100.00)	10647.05	3619.49	1132.38	15398.92

Note: The figures in brackets indicate percentage share to total number of compensated accidents.

3.2 Industry/Establishment wise break-up of number of compensated accidents and the amount of compensation paid during the year 2014 is given in Table-2. Of the total compensated accidents, Miscellaneous accounted for highest i.e. 54.00% followed by Factories 20.85% and Railways 16.86%. Whereas in case of compensation paid, Miscellaneous has the maximum share of 45.78% followed by Factories 28.54% & Railways 14.22%.

Table 2
Number of Compensated Accidents and the Amount of Compensation paid by the Establishments Submitting Returns During 2014

Establishment	Average daily No. of workers employed in establishments submitting returns +	Number of compensated accidents resulting in				Amount of compensation paid (Rs. in Lakh.)			
		Death	Perma- nent disable- ment	Tempo- rary disable- ment	Total	Death	Perma- nent disable- ment	Tempo- rary disable- ment	Total
Factories	1841994	742	650	190	1582 (20.85)	3104.32 (29.16)	995.94 (27.52)	295.02 (26.05)	4395.27 (28.54)
Plantations	498323	42	46	184	272 (3.59)	169.03 (1.59)	54.30 (1.50)	90.44 (7.99)	313.77 (2.04)
Mines	5487	28	1	21	50 (0.66)	163.55 (1.54)	3.74 (0.10)	3.16 (0.28)	170.45 (1.11)
Ports & Docks	23345	8	0	0	8 (0.11)	48.73 (0.46)	0.00 (0.00)	0.00 (0.00)	48.73 (0.32)
Tramways	0	0	0	0	0 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)

Building and Construction	620324	196	63	24	283	974.53	181.33	24.64	1180.50
					(3.73)	(9.15)	(5.01)	(2.18)	(7.67)
Municipalities	31078	10	4	2	16	38.43	2.97	9.99	51.39
					(0.21)	(0.36)	(0.08)	(0.88)	(0.33)
Miscellaneous	213180	1207	925	1965	4097	4222.95	2164.15	661.84	7048.94
					(54.00)	(39.66)	(59.79)	(58.45)	(45.78)
Railways	923154	309	112	858	1279	1925.53	217.06	47.29	2189.88
					(16.86)	(18.09)	(6.00)	(4.18)	(14.22)
All Establishments	4156885	2542	1801	3244	7587	10647.05	3619.49	1132.38	15398.92
		(33.5)	(23.74)	(42.76)	(100)	(69.14)	(23.5)	(7.35)	(100.00)

Note = Figures in brackets indicate percentage share to total of all Establishments.

+ Partly received data

3.3 The number of compensated accidents and the amount of compensation paid during the year 2014 in the States and Union Territories which submitted returns except Railways are presented in Table -3. Maharashtra reported the largest number of compensated cases (1349) followed by Karnataka (1054) and Gujarat (886). The average amount of compensation paid per case was highest in A & N Islands (Rs.4.94 lakh) followed by Chandigarh (Rs. 4.83 lakh)and Telangana (Rs. 4.65 lakh)

Table-3
Compensated Accidents and Amount of Compensation paid Except Railways During 2014

State/Union Territory	Average daily number of workers employed in establishments submitting returns	Number of compensated cases of accidents resulting in				Amount of compensation paid @ (Rs in Lakh.)			
		Death	Perma- nent disable- ment	Tempo- rary disable- ment	Total	Death	Perma- nent disable- ment	Tempo- rary disable- ment	Total
1	2	3	4	5	6	7	8	9	10
Andhra Pradesh	698952	160	42	0	202	718.12	119.07	0.00	837.19
						(4.49)	(2.83)		(4.14)
Assam	452468	125	121	25	271	426.36	181.21	28.64	636.21
						(3.41)	(1.50)	(1.15)	(2.35)
Bihar	202111	103	5	0	108	409.18	30.51	0.00	439.69
						(3.97)	(6.10)	!	(4.07)
Chhattisgarh	+	125	12	36	173	732.62	28.86	30.30	791.78
						(5.86)	(2.40)	(0.84)	(4.58)
Goa	2314	0	0	0	0	0.00	0.00	0.00	0.00
Gujarat	+	405	309	172	886	1463.87	406.37	301.30	2171.54
						(3.61)	(1.32)	(1.75)	(2.45)
Haryana	102973	0	0	0	0	0.00	0.00	0.00	0.00
Jammu & Kashmir	32216	179	71	44	294	681.37	196.10	84.97	962.44
						(3.81)	(2.76)	(1.93)	(3.27)
Karnataka	+	225	228	601	1054	598.02	415.30	422.20	1435.52
						(2.66)	(1.82)	(0.70)	(1.36)
Kerala	175558	114	83	122	319	424.11	146.21	70.51	640.82
						(3.72)	(1.76)	(0.58)	(2.01)
Maharashtra	157888	9	3	1337	1349	54.80	2.62	100.12	157.54
						(6.09)	(0.87)	(0.07)	(0.12)
Meghalaya	+	+	+	+	+	0.00	0.00	0.00	0.00
Odisha	23357	200	466	0	666	766.11	1394.54	0.00	2160.65
						(3.83)	(2.99)		(3.24)

5. Cases Dealt With by the Commissioners for Employee's Compensation

5.1 The Act is administered by the Commissioners for Employee's Compensation appointed by respective State Governments/Union Territories Administrations under section 20 of the Act. Table-5 shows the number of cases handled under different sections of the Employees' Compensation Act, 1923 by the Employee's Compensation Commissioners during 2014. During the year 2014, under section 7, 8 and 10 of the Act, total 22693 cases were registered. Of the total cases registered, 17221 cases were disposed of during the year. The total number of cases pending were 60833 at the end of the year as against 55361 at the beginning of the year.

Table-5

Number of Cases Handled by the Commissioners for Workmen's Compensation during 2014

Item	Number of cases pending at the beginning of the year	Number of cases filed during the year including those received from other Commissioners for disposal	Total number of cases disposed of during the year including those transferred to others for disposal	Number of cases pending at the end of the year
Commutation under Section 7	1924	1021	944	2001
Deposits under Section 8	7966	2174	1934	8206
Award of Compensation under Section 10	45471	19498	14343	50626
Total	55361	22693	17221	60833

Note: 1. Figures, over the years, may not be strictly comparable due to varying response from State Govts./UT's.
2. Opening Balance may not tally with the last year closing balance due to inclusion of new/revision of data

5.2 Section 8 of the Act makes it obligatory for the employers to deposit the amount of compensation payable in cases of fatal accidents or a lump sum compensation payable to a woman or a person under legal disability for disbursement with the Commissioners. Data relating to such deposits and disbursements submitted by the various States/Union Territories excluding Railways for the year 2014 are presented in Table-6. It may be seen from the table that highest deposits (Rs. 934325114) was from Maharashtra followed by Gujarat (Rs. 634260932) and Tamil Nadu (Rs. 496247573) and highest disbursements (Rs. 1297599090) was in Rajasthan followed by Maharashtra (Rs. 620932468) and Tamil Nadu (Rs. 453980958) while lowest deposit and disbursement was in Tripura (Rs. 425850)).

Table - 6

Deposits and Disbursements Under Section 8 of the Employee's Compensation Act, 1923 (except Railways) During 2014

State/Union Territory	Deposits and Disbursements (in Rs.)				
	Opening balance	Deposits	Disbursements	Amount refunded to employers	Closing balance (Col. 2+3-4-5)
1	2	3	4	5	6
Andhra Pradesh	220409822	165562875	192794931	28025	193149741
Assam	41625636	56715197	62055128	0	36285705
Bihar	55051743	38999731	57125120	0	36926354
Chhattisgarh	73349696	103749765	125348911	509886	51240664
Goa	1725593	4257376	3219712	0	2763257
Gujarat	322688105	634260932	381504048	24000	575420989
Haryana	96520884	290566220	266480798	300000	120306306
Jammu & Kashmir	56958900	96236200	94095700	2412500	56686900

Karnataka	2747506	160431682	117653465	0	45525723
Kerala	274031108	101025547	53244444	343449	321468762
Maharashtra	230138321	934325114	620932468	771179	542759788
Meghalaya	0	0	0	0	0
Odisha	251834185	460389357	410720958	18686881	282815703
Punjab	49562183	86099701	72469294	0	63192590
Rajasthan	1156069410	372415060	1297599090	2183927	228701453
Sikkim	0	4499815	0	0	4499815
Tamil Nadu	463785199	496247573	453980958	4475585	501576229
Telangana	293473210	187495800	160552478	194893	320221639
Tripura	0	425850	425850	0	0
Uttar Pradesh	13010221	323259276	234476690	693182	101099625
Uttarakhand	32483778	48873868	57782422	0	23575224
West Bengal	49795631	67420783	80816347	3144471	33255596
A & N Islands	413393	1481360	1481360	0	413393
Chandigarh	8677927	1497961	1930928	0	8244960
Dadar & Nagar Haveli	10708516	21714792	19388450	0	13034858
Daman & Diu	3173745	10494865	9760271	0	3908339
National Capital Delhi	62177000	111968000	104866000	1582000	67697000
Lakshadweep	0	0	0	0	0
Puducherry	3736253	5983077	3702618	0	6016712
Total	3774147965	4786397777	4884408439	35349978	3640787325
Previous year closing balance may not tally with the current year opening balance due to revision/ addition of data.					

5.3 The information regarding the number of appeals and disposal thereof during the year 2014, is shown in Table-7. Maximum number of appeals filed were in Odisha (247) as well as appeals disposed of were in the State of Karnataka (843). Out of 8831 number of appeals pending at the end of the year 2014, Karnataka has the highest number (3967) followed by Telangana (895) and Tamilnadu (714).

Table – 7
Disposal of Appeals in All Establishments during 2014

State/Union Territory	Pending at the beginning of the year	Filed during the year	Disposed off during the Year	Pending at the end of the year
Andhra Pradesh	76	0	4	72
Assam	-	-	-	-
Bihar	157	80	24	213
Chhattisgarh	101	48	45	104
Goa	-
Gujarat	285	168	73	380
Haryana	140	58	34	164
Jammu & Kashmir	179	27	58	148

Karnataka	4613	197	843	3967
Kerala	390	11	8	393
Maharashtra	655	0	0	655
Meghalaya	-	-	-	-
Odisha	683	247	234	696
Punjab	3	0	1	2
Rajasthan	134	36	32	138
Sikkim	-	-	-	-
Tamil Nadu	744	101	131	714
Telangana	905	32	42	895
Tripura	-	-	-	-
Uttar Pradesh	172	80	89	163
Uttarakhand	61	42	25	78
West Bengal	NA	NA	NA	-
A & N Islands	-	-	-	-
Chandigarh	21	15	8	28
Dadar & Nagar Haveli	-	-	-	-
Daman & Diu	-	-	-	-
National Capital Delhi	8	8	4	12
Lakshadweep	0	0	0	0
Puducherry	0	9	0	9
Total	9327	1159	1655	8831

Previous year closing balance may not tally with the current year opening balance due to revision/
addition of data.

6. Limitations of Statistics

A large number of States/UT's despite repeated reminders did not submit their annual returns to the Labour Bureau. The States/UT's not submitting returns are Himachal Pradesh, Jharkhand, Madhya Pradesh, Manipur, and Nagaland. Similarly, the data received from the States/UT's of Chandigarh, Chhattisgarh, Gujarat, Goa, Haryana, Karnataka, Maharashtra, Punjab, Sikkim, Tamil Nadu, Odisha, Uttar Pradesh, Uttarakhand, West Bengal and NCT Delhi was partly reported or inconsistent. The data received from Arunachal Pradesh and Mizoram was not included in the report due to incompleteness. In view of this, all-India figures in the report may not be truly comparable over the years as the responding States/UT's vary from year to year.