

REPORT ON THE WORKING OF THE EMPLOYEES' COMPENSATION ACT, 1923 FOR THE YEAR 2012

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 2012

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 2010 to 2012 is presented in Table-1. During 2012 as many as 6354 compensated accidents resulting in death, permanent disablement and temporary disablement were reported by the States and Union Territories and an amount of Rs. 14562.31 lakh was paid as compensation. Out of the total compensated accidents 40.79% were fatal accidents 42.12% related to permanent disablement and 17.09% were temporary disablement cases. The compensation paid in case of these categories was Rs. 10078.63 lakh, Rs. 3852.00 lakh and Rs. 631.68 lakh respectively.

Table-1
Number of Compensated Accidents and the Amount of Compensation paid
by the Establishments Submitting Returns During 2010 to 2012

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
2010	1063802	1939 (33.63)	2831 (49.11)	995 (17.26)	5765 (100.00)	5991.49	2385.78	406.05	8783.32
2011	1191653	2055 (39.17)	2170 (41.36)	1022 (19.48)	5247 (100.00)	6865.08	4130.03	285.38	11280.49
2012	2531962	2592 (40.79)	2676 (42.12)	1086 (17.09)	6354 (100.00)	10078.63	3852.00	631.68	14562.31

Note: The figures in brackets indicate percentage share to total

3.2 Industry/Establishment wise break-up of number of compensated accidents and the amount of compensation paid during the year 2012 is given in Table-2. Of the total compensated accidents, Miscellaneous accounted for highest i.e. 53.62% followed by Factories 21.15% and Railways 17.03%. Whereas in case of compensation paid, Miscellaneous has the maximum share of 47.78% followed by Factories 20.23% & Railways 19.23%.

Table-2
Number of Compensated Accidents and the Amount of Compensation paid
by the Establishments Submitting Returns During 2012

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	524436	550	629	165	1344 (21.15)	1965.73 (19.50)	708.82 (18.40)	271.69 (43.01)	2946.23 (20.23)
Plantations	616158	50	53	26	129 (2.03)	120.89 (1.20)	38.23 (0.99)	5.08 (0.80)	164.20 (1.13)
Mines	6674	20	8	4	32 (0.50)	161.77 (1.61)	122.49 (3.18)	3.53 (0.56)	287.79 (1.98)
Ports & Docks	22343	20	8	3	31 (0.49)	70.43 (0.70)	2.93 (0.08)	5.95 (0.94)	79.30 (0.54)
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	443682	181	87	54	322 (5.07)	866.03 (8.59)	417.69 (10.84)	25.14 (3.98)	1308.86 (8.99)
Municipalities	29167	4	0	3	7 (0.11)	14.71 (0.15)	0.00 (0.00)	3.02 (0.48)	17.73 (0.12)
Railways	797887	318	173	591	1082 (17.03)	2443.32 (24.24)	225.85 (5.86)	130.46 (20.65)	2799.62 (19.23)
Miscellaneous	91615	1449	1718	240	3407 (53.62)	4435.75 (44.01)	2336.00 (60.64)	186.82 (29.57)	6958.57 (47.78)
All Establishments	2531962	2592 (40.79)	2676 (42.12)	1086 (17.09)	6354 (100)	10078.63 (69.21)	3852.00 (26.45)	631.68 (4.34)	14562.31 (100.00)

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

+ inconsistent / Partly received data

3.3 The details of Accident rate per one thousand workers employed, average amount of compensation paid and cost of compensated accidents per worker during 2012 are given in Table-3. It reveals that during 2012 accident rate per one thousand workers was highest in Miscellaneous 37.19 followed by Mines 4.79 and Factories 2.56. Whereas the average amount of compensation paid per case was the highest in Mines (Rs. 899329) followed by Building & Construction (Rs.406479) and Railways (Rs 258745). The compensation paid per worker employed was highest in Miscellaneous (Rs.7595) followed by Mines (Rs. 4312) and Factories (Rs 562) though the average of all establishments stood at Rs. 575 only.

Table-3
Accident Rate Per One Thousand Workers Employed, Average Amount of Compensation Paid and Cost of Compensated Accidents Per Worker During 2012

Establishments	Accident rate per one thousand workers employed	Average amount of compensation paid per case (in Rs.)	Compensation paid per worker employed in the Industry (in Rs.)
1	2	3	4
Factories	2.56	219214	562
Plantations	0.21	127288	27
Mines	4.79	899329	4312
Ports & Docks	1.39	255813	355
Tramways+	-	-	-
Building and Construction	0.73	406479	295
Municipalities	0.24	253335	61
Railways	1.36	258745	351
Miscellaneous	37.19	204243	7595
All Industries	2.51	229183	575

'-' = Nil + inconsistent / Partly received data

3.4 The number of compensated accidents and the amount of compensation paid during the year 2012 in the States and Union Territories which submitted returns except Railways are presented in Table - 4. Karnataka reported the largest number of compensated cases (1681) followed by Gujarat (1095) and Kerala (790). In all there were 2274 fatal accidents, out of which the highest number (496) occurred in Karnataka followed by Kerala (412) and Gujarat (411). The average amount of compensation paid per case was highest in A & Nicobar Islands (Rs.5.95 lakh) followed by Meghalaya (Rs.5.34 lakh) and Chandigarh (Rs. 5.18 lakh)

Table-4
Compensated Accidents and Amount of Compensation Paid Except Railways During 2012

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	563805	321	74	0	395	1312.63	161.55	0.00	1474.19
						(4.09)	(2.18)	(0.00)	(3.73)
Assam	418434	115	48	100	263	231.70	84.28	101.46	417.43
						(2.01)	(1.76)	(1.01)	(1.59)
Chhattisgarh	2110	32	0	4	36	91.51	0.00	4.38	95.89
						(2.86)	(0.00)	(1.10)	(2.66)
Goa	+	15	1	14	30	64.24	1.03	6.10	71.37
						(4.28)	(1.03)	(0.44)	(2.38)
Gujarat	+	411	531	153	1095	1629.35	447.94	298.57	2375.86
						(3.96)	(0.84)	(1.95)	(2.17)

Haryana	-	-	-	-	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Jammu & Kashmir	7851	83	40	18	141	375.17	73.70	16.84	465.72
						(4.52)	(1.84)	(0.94)	(3.30)
Karnataka	63220	496	1150	35	1681	1606.46	1279.30	21.48	2907.24
						(3.24)	(1.11)	(0.61)	(1.73)
Kerala	214125	412	242	136	790	1066.12	694.62	33.71	1794.45
						(2.59)	(2.87)	(0.25)	(2.27)
Meghalaya	-	1	-	-	1	5.34	0.00	0.00	5.34
						(5.34)	(0.00)	(0.00)	(5.34)
Mizoram	-	-	-	-	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Odisha	27437	144	282	0	426	540.18	637.76	0.00	1177.94
						(3.75)	(2.26)	(0.00)	(2.77)
Punjab	+	+	+	+	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Rajasthan	8913	87	32	13	132	118.50	56.46	15.52	190.48
						(1.36)	(1.76)	(1.19)	(1.44)
Tamil Nadu	51958	-	-	-	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Tripura	55604	3	2	5	10	12.46	0.58	0.10	13.14
						(4.15)	(0.29)	(0.02)	(1.31)
Uttar Pradesh	138520	60	3	-	63	159.88	0.00	0.00	159.88
						(2.66)	(0.00)	(0.00)	(2.54)
Uttarakhand	+	+	+	+	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
West Bengal	23876	3	1	7	11	10.75	1.20	0.17	12.11
						(3.58)	(1.20)	(0.02)	(1.10)
A & N Islands	23754	4	-	-	4	23.79	0.00	0.00	23.79
						(5.95)	(0.00)	(0.00)	(5.95)
Chandigarh	15133	8	6	-	14	51.95	20.53	0.00	72.49
						(6.49)	(3.42)	(0.00)	(5.18)
Dadar & Nagar Haveli	77750	15	29	7	51	92.03	62.00	2.14	156.16
						(6.14)	(2.14)	(0.31)	(3.06)
Daman & Diu	13350	8	39	-	47	47.70	50.64	0.00	98.34
						(5.96)	(1.30)	(0.00)	(2.09)
National Capital Delhi	+	56	23	3	82	195.56	54.54	0.76	250.86
						(3.49)	(2.37)	(0.25)	(3.06)
Lakshadweep	-	-	-	-	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Puducherry	28235	-	-	-	0	0.00	0.00	0.00	0.00
						(0.00)	(0.00)	(0.00)	(0.00)
Total	1734075	2274	2503	495	5272	7635.32	3626.15	501.22	11762.69
						(3.36)	(1.45)	(1.01)	(2.23)

@ = Figures in brackets indicate average compensation paid per case.

'-' = Nil. + = Not reported

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

4.1 The Act is administered by the Commissioners for Employee's Compensation appointed by respective State Governments/Union Territory Administrations under section 20 of the Act. Table-5 shows the number of cases handled under different sections of the Employee's Compensation Act, 1923 by the Employee's Compensation Commissioners during 2012. During the year 2012, under section 7, 8 and 10 of the Act, 24333 cases were registered. Of the total cases registered 27793 cases were disposed of during the year. The total number of cases pending were 61171 at the end of the year as against 64631 at the beginning of the year.

Table-5

Number of Cases Handled by the Commissioners for Workmen's Compensation during 2012

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
1	2	3	4	5
(a) Compensation under Section 7	1327	270	127	1470
(b) Deposits under Section 8	12227	5158	3649	13736
(c) Award of Compensation under Section 10	51077	18905	24017	45965
Total	64631	24333	27793	61171

Note: Figures, over the years, may not be strictly comparable due to varying response from State Govts./UT Administrations.

4.2 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 2012 are presented in Table-6. It may be seen from the table that both deposits (Rs.642124319) and disbursements (Rs.605848213) were highest in Karnataka while deposits (Rs 880724 and disbursement (Rs. 880724) was lowest in Tripura.

Table - 6

Deposits and Disbursements Under Section 8 of the Employee's Compensation Act, 1923 (except Railways) during 2012

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	101899988	247768356	188671742	-	160996602
Assam	26022275	36481481	15493504	-	47010252
Chhattisgarh	56470436	110572573	88998254	10923845	67120910
Goa	2913063	8802454	7137333	83426	4494758
Gujarat	134309654	324867100	305416410	471564	153288780
Haryana	80993558	201408173	192979309	446375	88976047
Jammu & Kashmir	33671000	80332000	71485500	-	42517500

Karnataka	666816108	642124319	605848213	4151714	698940500
Kerala	269701470	193986712	192642810	380102	270665270
Meghalaya	-	-	-	-	-
Mizoram	-	-	-	-	-
Odisha	221078096	254773983	245748498	3541354	226562227
Punjab	35749155	75254775	64285196	2809752	43908982
Rajasthan	1121236670	170018522	176744247	178425	1114332520
Tamil Nadu	311755126	439762767	343231192	18728231	389558470
Tripura	-	880724	880724	-	-
Uttar Pradesh	259779802	334707612	504598486	31245055	58643873
Uttarakhand	7526347	12719365	17415978	30000	2799734
West Bengal	47151792	66233495	65215666	2292656	45876965
A & N Islands	1292952	2882331	2379080	-	1796203
Chandigarh	9974396	5213638	7248795	-	7939239
Dadar & Nagar Haveli	2507895	17866501	15616441	-	4757955
Daman & Diu	2125046	8529892	5082409	-	5572529
National Capital Delhi	26853000	121152000	99256000	250000	48499000
Lakshadweep	-	-	-	-	-
Puducherry	2666934	990227	1507627	-	2149534
Total	3422494763	3357329000	3217883414	75532499	3486407850

‘-’ = Nil.

4.3 The information regarding the number of appeals and disposal thereof during the year 2012 is shown in Table-7. Maximum number of appeals filed (509) as well as appeals disposed of (556) were in the State of Karnataka. Out of 4581 number of appeals pending at the end of the year 2012, Karnataka has the highest number (1528) followed by Tamilnadu (722) and Odisha (620). However, in the States/U.T’s of Assam, Meghalaya, Mizoram, Tripura, Andaman & Nicobar Islands, Dadar & Nagar Haveli, Daman & Diu and Lakshadweep neither any appeal was pending at the beginning of the year nor any filed during the year.

Table – 7
Disposal of Appeals in All Establishments during 2012

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	65	11	3	73
Assam	-	-	-	-
Chhattisgarh	167	203	141	229
Goa	-	1	1	-
Gujarat	136	131	64	203
Haryana	83	140	76	147
Jammu & Kashmir	167	70	49	188
Karnataka	1575	509	556	1528

Kerala	427	69	103	393
Meghalaya	-	-	-	-
Mizoram	-	-	-	-
Odisha	619	144	143	620
Punjab	13	-	-	13
Rajasthan	145	19	23	141
Tamil Nadu	718	101	97	722
Tripura	-	-	-	-
Uttar Pradesh	169	62	61	170
Uttarakhand	7	14	-	21
West Bengal	69	40	1	108
A & N Islands	-	-	-	-
Chandigarh	17	15	21	11
Dadar & Nagar Haveli	-	-	-	-
Daman & Diu	-	-	-	-
National Capital Delhi	-	9	3	6
Lakshadweep	-	-	-	-
Puducherry	8	-	-	8
Total	4385	1538	1342	4581

- = Nil.

5. 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 Arunachal Pradesh, Bihar, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Manipur and Nagaland. Similarly, the data received from the States of Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Haryana, Jammu and Kashmir, Meghalaya, Punjab, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal, Chandigarh and National Capital Delhi was partly inconsistent or not reported. 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.