

EMPLOYEE COMPENSATION ACT, 1923

CHECKLIST

Applicability

All over India
Sec.1

Coverage of Workmen

All employees irrespective of their status or salaries either directly or through contractor or a person recruited to work abroad. **Sec.1 (3)**

Employer's liability to pay compensation to a workman

On death or personal injury resulting into total or partial disablement or occupational disease caused to a workman arising out of and during the course of employment.

Sec.3

Amount of compensation

- Where death of a workman results from the injury
 - An amount equal to fifty per cent of the monthly wages of the deceased workman multiplied by the relevant factor on an amount of eighty thousand rupees, whichever is more.
- Where permanent total disablement results from the injury.
 - An amount equal to sixty per cent of the monthly wages of the injured workman multiplied by the relevant factor or an amount of ninety thousand rupees, whichever is more

Procedure for calculation

Higher the age – Lower the compensation

- Relevant factor specified in second column of Schedule IV giving slabs depending upon the age of the concerned workman.
- Example: In case of death.
 - Wages Rs.3000 PM • Age 23 years
 - Factor as schedule IV Rs.19.95
 - Amount of compensation Rs.329935
 - In case of total disablement Rs.395910.

Sec. 4

When an employee is not liable for compensation

- In respect of any injury which does result in the total or partial disablement of the workman for a period exceeding three days.
- In respect of any injury, not resulting in death or permanent total disablement caused by an accident which is directly attributable to-
 - The workman having been at the time thereof under the influence of drink or drugs, or
 - Willful disobedience of the workman to an order expressly given, or to a rule expressly framed, for the purpose of securing the safety of workmen, or
 - Willful removal or disregard by the workman of any safety guard or other device which he knew to have been provided for the purpose of securing the safety of workman.

Sec.3 (a) & (b)

Wages

When the monthly wages are more than Rs.4000 per month it will be deemed Rs.4000.

Sec.4 Exh.b

Notice Accident

As soon as
Practicable

Sec. 10

Report of accident Rule 11 Form EE

Report of fatal Accident and Serious Injury within 7 days to the Commissioner (not application when ESI Act applies).

Sec.10B

Bar upon contracting out

Any workman relinquishing his right for personal injury not permissible.

Sec.14

PENALTY

- In case of default by employer
- Deposit of Compensation

- 50% of the compensation amount + interest to be paid to the workman or his dependents as the case may be.
- Within one month with the Compensation Commissioner

Sec.4A