



RAMA UNIVERSITY

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FACULTY OF COMMERCE & MANAGEMENT

COURSE: MBA 3rd SEMESTER

SUBJECT: LABOUR LEGISLATIONS

SUBJECT CODE: MBAHR01

LECTURE: 22

NAME OF FACULTY: DR. H. L. BHASKAR

Lecture-22



Social Security Legislations: Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; The Workmen's Compensation Act, 1923; The Employee State Insurance Act, 1948; Employees' Provident Fund and Miscellaneous Provisions Act, 1952; Maternity Benefit Act, 1961

The Workmen's Compensation Act, 1923 or Employee's Compensation Act, 1923 - (Amendment) Act, 2017 (Continue.....)

SCHEDULE 3		
LIST OF OCCUPATIONAL DISEASES		
S. No.	Occupational disease	Employment
1	2	3
PART A		
1	Infectious and parasitic diseases contracted in an occupation where there is a particular risk of contamination.	(a) All work involving exposure to contracted in an occupation health or laboratory work;
		(b) All work involving exposure to veterinary work;
		(c) Work relating to handling animals, animal carcasses, part of such carcasses, or merchandise which may have been contaminated by animals or animal carcasses;
		(d) Other work carrying a particular risk of contamination.
2	Diseases caused by work in compressed air.	All work involving exposure to the risk concerned.
3	Diseases caused by lead or its toxic compounds.	All work involving exposure to the risk concerned.

4	Poisoning by nitrous fumes.	All work involving exposure to the risk concerned.
5	Poisoning by organo phosphorus compounds.	All work involving exposure to the risk concerned.
PART B		
1	Diseases caused by phosphorus or its toxic compounds.	All work involving exposure to the risk concerned.
2	Diseases caused by mercury or its toxic compounds.	All work involving exposure to the risk concerned.
3	Diseases caused by benzene or its toxic homologues.	All work involving exposure to the risk concerned.
4	Diseases caused by nitro and amido toxic derivatives of benzene or its homologues	All work involving exposure to the risk concerned.
5	Diseases caused by chromium, or its toxic compounds	All work involving exposure to the risk concerned.
6	Diseases caused by arsenic or its toxic compounds.	All work involving exposure to the risk concerned.
7	Diseases caused by radioactive substances or radiations.	All work involving exposure to the substances and ionising action of radioactive ionising radiations.
8	Primary epitheliomatous cancer of the skin, caused by tar, pitch, bitumen, mineral oil, anthracene, or the compounds, products or residues of these substances.	All work involving exposure to the risk concerned.
9	Disease caused by the toxic halogen derivatives of hydrocarbons (of the aliphatic and aromatic series).	All work involving exposure to the risk concerned.
10	Diseases caused by carbon disulphide.	All work involving exposure to the risk concerned.
11	Occupational cataract due to infra-red radiations.	All work involving exposure to the risk concerned.
12	Diseases caused by manganese or its toxic compounds.	All work involving exposure to the risk concerned.
13	Skin diseases caused by physical, chemical or biological agents not included in other items.	All work involving exposure to the risk concerned.

14	Hearing impairment caused by noise.	All work involving exposure to the risk concerned.
15	Poisoning by dinitrophenol or a homologue or by substituted dinitrophenol or by the salts of such substances.	All work involving exposure to the risk concerned.
16	Diseases caused by beryllium or its toxic compounds.	All work involving exposure to the risk concerned.
17	Diseases caused by cadmium or its toxic compounds.	All work involving exposure to the risk concerned.
18	Occupational asthma caused by recognised sensitising agents inherent to the work process.	All work involving exposure to the risk concerned.
19	Diseases caused by fluorine or its toxic compounds.	All work involving exposure to the risk concerned.
20	Diseases caused by nitroglycerine or other nitroacid esters.	All work involving exposure to the risk concerned.
21	Diseases caused by alcohols and ketones.	All work involving exposure to the risk concerned.
22	Diseases caused by asphyxiants carbon monoxide, and its toxic derivatives, hydrogen sulfide.	All work involving exposure to the risk concerned.
23	Lung cancer and mesotheliomas caused by asbestos.	All work involving exposure to the risk concerned.
24	Primary neoplasm of the epithelial lining of the urinary bladder or the kidney or the ureter.	All work involving exposure to the risk concerned.
25	Snow blindness in snow bound areas.	All work involving exposure to the risk concerned.
26	Disease due to effect of cold in extreme cold climate.	All work involving exposure to the risk concerned.
27	Disease due to effect of cold in extreme cold climate.	All work involving exposure to the risk concerned.

PART C

1	Pneumoconioses caused by sclerogenic mineral dust (silicosis, anthraosilicosis, asbestosis) and silico-tuberculosis provided that silicosis is an essential factor in causing the resultant incapacity or death.	All work involving exposure to the risk concerned.
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2	Bagassosis.	All work involving exposure to the risk concerned.
3	Bronchopulmonary diseases caused by cotton, flax hemp and sisal dust (Byssinosis).	All work involving exposure to the risk concerned.
4	Extrinsic allergic alveelitiscaused by the inhalation of organic dusts.	All work involving exposure to the risk concerned.
5	Bronchopulmonary diseases caused by hard metals.	All work involving exposure to the risk concerned.
6	Acute Pulmonary Oedema of High Altitude.	All work involving exposure to the risk concerned.

AMOUNT OF COMPENSATION [Sec 4]

1. This section deals with how compensation is to be calculated for injured or deceased employee.
2. Calculation of the compensation is made on the monthly wage or salary of employee.
3. The amount of compensation varies from employee death, permanent total disablement, permanent partial disablement and temporary disablement.

SCHEDULE I		
PART I		
LIST OF INJURIES DEEMED TO RESULT IN PERMANENT TOTAL DISABLEMENT		
Serial No.	Description of injury	% Percentage of loss of earning capacity
1	Loss of both hands or amputation at higher sites	100
2	Loss of a hand and foot	100
3	Double amputation through leg or thigh, or amputation through leg or thigh on one side and loss of other foot	100

4	Loss of sight to such an extent as to render the claimant unable to perform any work for which eye sight is essential	100
5	Very severe facial disfigurement	100
6	Absolute deafness	
<p>PART II</p> <p>LIST OF INJURIES DEEMED TO RESULT IN PERMANENT PARTIAL DISABLEMENT</p> <p>Amputation Cases - Upper limbs - Either arm</p>		
1	Amputation through shoulder joint	90
2	Amputation below shoulder with stump less than 20.32 cms. from tip of acromion	80
3	Amputation from 20.32 cms. from tip of acromion to less than 4" below tip of olecranon	70
4	Loss of a hand or of the thumb and four fingers of one hand or amputation from 11.43 cms. below tip of olecranon	60
5	Loss of thumb	30
6	Loss of thumb and its metacarpal bone	40
7	Loss of four fingers of one hand	50
8	Loss of three fingers of one hand	30
9	Loss of two fingers of one hand	20
10	Loss of terminal phalanx of thumb	20
Amputation cases - Lower limbs		
10A	Guillotine amputation of tip of thumb without loss of bone	10

11	Amputation of both feet resulting in end bearing stumps	90
12	Amputation through both feet proximal to the metatarso-phalangeal joint	80
13	Loss of all toes of both feet through the metatarso-phalangeal joint	40
14	Loss of all toes of both feet proximal to the proximal inter-phalangeal joint	30
15	Loss of all toes of both feet distal to the proximal inter-phalangeal joint	20
16	Amputation at hip	90
17	Amputation below hip with stump not exceeding 12.70 cms. in length measured from tip of great trenchanter but not beyond middle thigh	80
18	Amputation below hip with stump exceeding 12.70 cms. in length measured from tip of great trenchanter but not beyond middle thigh	70
19	Amputation below middle thigh to 8.89 cms. below knee	60
20	Amputation below knee with stump exceeding 8.89 cms. but not exceeding 12.70 cms.	50
21	Amputation below knee with stump exceeding 12.70 cms.	50
22	Amputation of one foot resulting in end bearing	50
23	Amputation through on foot proximal to the metatarso-phalangeal joint	50
24	Loss of all toes of one foot through the metatarso-phalangeal joint	20
Other injuries		

25	Loss of one eye, without complications, the other being normal	40
26	Loss of vision of one eye, without complications or disfigurement of eyeball, the other being normal	30
26A	Loss of partial vision of one eye	10
Loss of - A - Fingers of right or left hand Index finger		
27	Whole	14
28	Two phalanges	11
29	One phalanx	9
30	Guillotine amputation of time without loss of bone	5
Middle finger		
31	Whole	12
32	Two phalanges	9
33	One Phalanx	7
34	Guillotine amputation of tip without loss of bone	4
Ring or little finger		
35	Whole	7
36	Two phalanges	6
37	One Phalanx	5
38	Guillotine amputation of tip without loss of bone	2
B - Toes of right or left foot Great toe		

39	Through metatarso-phalangeal joint	14
40	Part, with some loss of bone	3
Any other toe		
41	Through metatarso-phalangeal joint	3
42	Part with some loss of bone	1
Two toes of one foot, excluding great toe		
43	Through metatarso-phalangeal joint	5
44	Part, with some loss of bone	2
Three toes of one foot, excluding great toe		
45	Through metatarso-phalangeal joint	6
46	Part, with some loss of bone	3
Four toes of one foot, excluding great toe		
47	Through metatarso-phalangeal joint	9
48	Part-with some loss of bone	3

SCHEDULE IV

(See section 4)

**FACTORS FOR WORKING OUT LUMP SUM EQUIVALENT OF COMPENSATION
AMOUNT IN CASE OF PERMANENT DISABLEMENT AND DEATH.**

Completed years of age on the last birthday

of the employee immediately preceding the

date on which the compensation fell due

Factors

Not
more
than

16	.	.	.	.	.	.	228.54
17	.	.	.	.	.	.	227.49
18	.	.	.	.	.	.	226.38

19	.	.	.	.	.	.	225.22
20	.	.	.	.	.	.	224
21	.	.	.	.	.	.	222.71
22	.	.	.	.	.	.	221.37
23	.	.	.	.	.	.	219.95
24	.	.	.	.	.	.	218.47
25	.	.	.	.	.	.	216.91
26	.	.	.	.	.	.	215.28
27	.	.	.	.	.	.	213.57
28	.	.	.	.	.	.	211.79
29	.	.	.	.	.	.	209.92
30	.	.	.	.	.	.	207.98
31	.	.	.	.	.	.	205.95
32	.	.	.	.	.	.	203.85
33	.	.	.	.	.	.	201.66
34	.	.	.	.	.	.	199.4
35	.	.	.	.	.	.	197.06
36	.	.	.	.	.	.	194.64
37	.	.	.	.	.	.	192.14
38	.	.	.	.	.	.	189.56
39	.	.	.	.	.	.	186.9
40	.	.	.	.	.	.	184.17
41	.	.	.	.	.	.	181.37
42	.	.	.	.	.	.	178.49
43	.	.	.	.	.	.	175.54
44	.	.	.	.	.	.	172.52
45	.	.	.	.	.	.	169.44
46	.	.	.	.	.	.	166.29
47	.	.	.	.	.	.	163.07
48	.	.	.	.	.	.	159.8
49	.	.	.	.	.	.	156.47
50	.	.	.	.	.	.	153.09
51	.	.	.	.	.	.	149.67
52	.	.	.	.	.	.	146.2
53	.	.	.	.	.	.	142.68
54	.	.	.	.	.	.	139.13
55	.	.	.	.	.	.	135.56
56	.	.	.	.	.	.	131.95
57	.	.	.	.	.	.	128.33
58	.	.	.	.	.	.	124.7
59	.	.	.	.	.	.	121.05
60	.	.	.	.	.	.	117.41
61	.	.	.	.	.	.	113.77

62	.	.	.	.	.	.	110.14
63	.	.	.	.	.	.	106.52
64	.	.	.	.	.	.	102.93
65 or more	.	.	.	.	.	.	99.37

Circumstances under which employer is liable to pay compensation to the employee

Compensation in case of death of employee [Sec 4(1) (a)]

While calculating the compensation of the workman, age of the workman and relevant factor is taken in to account.

50% of monthly wages of the deceased employee X relevant factor with corresponding age of injured workman specified in Schedule IV.

or

1,20,000/- rupees of compensation.

Whichever is more.

Example: Muniyappa, a worker aged 35 meets with an accident and dies while at work (i.e. in the course of employment). At the time he drew a monthly wage of Rs.2,500/-. As per Schedule IV of the Act the relevant factor applicable to his case would be Rs. 197.06. As such, the amount of compensation payable to his dependants will be arrived at in the following way:

- (i) 50% of Rs. 2,500 = 1,250
- (ii) 1,250 x relevant factor (i.e.197.06) =

Rs.2,46,325.00/- (total compensation payable)

Compensation in case of permanent total disablement [Sec 4(1) (b)]

60% of monthly wages of employee X relevant factor with corresponding age of injured workman specified in Schedule IV .

or

1, 40,000/- rupees of compensation.

Whichever is more.

For above the calculation of the compensation in case of death or permanent partial disablement, the monthly wage of workman is limited to 4000/- Rupees only. Or the government may prescribe and change the monthly wage amount for calculation of the compensation.

Example: Shyam, a worker aged 35 meets with an accident and suffers permanent total disablement while at work (i.e. in the course of employment) At the time she drew a monthly wage of Rs.2,500/- The amount of compensation payable will be arrived at as follows:

- (i) 60% of Rs. 2,500 = 1,500
- (ii) 1,500 x relevant factor (i.e. 197.06) =

2,95,590.00/- (total compensation payable)

“Provided that the Central Government may, by notification in the Official Gazette, from time to time, enhance the amount of compensation mentioned in clauses (a) and (6).”;

Compensation in case of permanent partial disablement [Sec 4(1) (c)]

Injury specified in Part II of Schedule I.

The calculation of the compensation is similar to that of permanent total disablement.

Example:

<i>Nature of injury of loss of disablement</i>	Part II of schedule I	<i>Percentage</i>
(1) Amputation to shoulder joint		90%
(2) Amputation to below shoulder		80%
(3) loss of fingers of one hand		50%
(24) Loss of all toes of one foot		20%
(48) part of some loss of bone		3%

Part II of schedule I contains 48 entries specifying various nature of injuries in left-hand column and corresponding percentage of disablement.

In case of (1) Amputation to shoulder joint

90% of monthly wages of employee X relevant factor with corresponding age of injured workman specified in Schedule IV .

or
1, 40,000/- rupees of compensation.
Whichever is more.

More injuries than one are caused by the same accident

All injuries compensation caused by same accident will be added but compensation amount payable should not exceed more than what would have been payable in the case of permanent partial disablement.

(1-A) Notwithstanding anything contained in sub-section (1), while fixing the amount of compensation payable to a workman in respect of an accident occurred outside India, the Commissioner shall take into account the amount of compensation, if any, awarded to such workman in accordance with the law of the country in which the accident occurred and shall reduce the amount fixed by him by the amount of compensation awarded to the workman in accordance with the law of that country.

(1B) The Central Government may, by notification in the Official Gazette, specify, for the purposes of sub-section (/), such monthly wages in relation to an employee as it may consider necessary.;

(2A) The employee shall be reimbursed the actual medical expenditure incurred by him for treatment of injuries caused during the course of employment.”;

In case of an injury not specified in the scheduled I

Percentage of total permanent disablement as is proportionate to the loss of earning capacity as may be determined by the medical practitioner.

In case of temporary disablement with the total or partial results from the injury

1. Employer is liable to reimburse the actual medical expenditure incurred by the employee for treatment of injuries caused to during the course of employment.
2. **Employer is liable to pay injured employee with half monthly wages for a period of disablement**, subject to a maximum of five years.

(2) The half-monthly payment referred to in clause (d) of sub-section (1) shall be payable on the sixteenth day-

(i) from the date of disablement where such disablement lasts for a period of twenty-eight days or more, or

(ii) after the expiry of a waiting period of three days from the date of disablement where such disablement lasts for a period of less than twenty-eight days; and thereafter half-monthly during the disablement or during a period of five years, whichever period is shorter:

Provided that- (a) there shall be deducted from any lump sum or half-monthly payments to which the workman is entitled the amount of any payment or allowance which the workman has received from the employer by way of compensation during the period of disablement prior to the receipt of such lump sum or of the first half-monthly payment, as the case may be; and (b) no half-monthly payment shall in any case exceed the amount, if any, by which half the amount of the monthly wages of the workman before the accident exceeds half the amount of such wages which he is earning after the accident.

Explanation .-Any payment or allowance which the workman has received from the employer towards his medical treatment shall not be deemed to be a payment or allowance received by him by way of compensation within the meaning of clause (a) of the proviso.

(3) On the ceasing of the disablement before the date on which any half-monthly payment falls due, there shall be payable in respect of that half-month a sum proportionate to the duration of the disablement in that half-month.

(4) If the injury of the workman results in his death, the employer shall, in addition to the compensation under sub-section (1), deposit with the Commissioner a sum of]two thousand and five hundred rupees][for payment of the same to the eldest surviving dependant of the workman towards the expenditure of the funeral of such workman or where the workman did not have a dependant or was not living with his dependant at the time of his death to the person who actually incurred such expenditure.

THE EMPLOYEE'S COMPENSATION (AMENDMENT) ACT, 2009

in sub section (4)

(A) for the words "two thousand and five hundred rupees", the words "not less than five thousand rupees" shall be substituted;

(B) the following proviso shall be inserted, namely:—

"Provided that the Central Government may, by notification in the Official Gazette, from time to time, enhance the amount specified in this sub-section."

Medical examination - [Section 11]

- In case of payment of half monthly wages to an employee, such employee may be required to produce himself before the doctor at such intervals according to **[Medical examination - Section 11(1)]**
- if the employee refuses to produce himself before the doctor as required by the employer, for free of cost, in such case, employee right to any compensation will be rejected during the period of his refusal or failure to appear before the doctor. [Section 11(2)]
- if the employee leaves the vicinity of his place of employment without medical examination, employee right to compensation shall be rejected until he returns and offers himself a medical examination [Section 11(3)].
- if the employee dies without such medical examination, the Commissioner of employee's compensation, if he thinks fit, may direct the payment of compensation to the dependents of the employee [Section 11(4)].
- If the injury of any injured employee is aggravated due to his failure or refusal to appear for a medical examination or after having so appeared, failure to follow the instructions of Doctor, in that case such employee will not be entitled to any compensation for the aggravated injuries but will be entitled to injuries only resulted in the disablement if the employee had regularly attended and followed the instructions of the doctor [Section 11(6)]

NOTE: If the injury to the employee caused disablement for not more 3 days, in such a case employer is not liable to pay any compensation to the employee, except the medical expenditure

Compensation in case of Temporary disablement [Sec 4(1) (d)]

Ramamurthy (Road sweeper employed on contract basis for Bangalore City Corporation) slipped and fell from a garbage truck and fractured his hand. He could not work for one month. This is temporary disablement.

In case of temporary disablement, payments equal to 25 % of the workers' wages shall be made at fortnightly intervals (every two weeks). **[Sec 4(2)]** In case the disablement lasts for more than 28 days, the employer should make the payment on the 16th day from the day of the disablement.

If the period of disablement lasts for less than 28 days, the payment shall be made after the expiry of 3 days. This wait for 3 days is to ascertain how long the temporary disablement will last—less than/equal to 28 days or more.

In case the employer makes any payment to the worker before the payment of this half monthly (every two weeks) or lump sum amount, it shall be deducted from any lump sum or half-monthly payments. [Section 4 (2) (a)]

[Sec 4(2A)]

The employee shall be reimbursed the actual medical expenditure incurred by him for treatment of injuries caused during course of employment.

If the injury of the workman results in his death, [Sec 4(4)]

The employer shall, in addition to the compensation for death as calculated above, deposit with the Commissioner a sum of Rs.5000/- for payment of the same to the eldest surviving dependent of the workman towards the expenditure of the funeral of such workman or if the workman did not have a dependent or was not living with his dependent at the time of his death, the funeral expenditure should be paid to the person who actually incurred such expenditure.

“Provided that the Central Government may, by notification in the Official Gazette, from time to time, enhance the amount of towards the funeral expenditure”