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The Employee's Compensation Act, 1923: Issues in Implementation and Access to Compensation

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ABSTRACT

A historic piece of social welfare legislation, the Employee's Compensation Act, 1923 was passed in order to compensate workers who sustain accidents, occupational illnesses, disabilities or fatalities while working. Despite its welfare-oriented goal, many workers still have difficulty obtaining timely and sufficient compensation. The Act's effective implementation has been significantly undermined by factors such as procedural delays, employee ignorance, employer non-compliance, underreporting of workplace accidents, difficulties in identifying occupational diseases and insufficient enforcement tools. In the unorganised sector, where workers frequently lack access to institutional assistance and legal remedies, these problems are especially severe. By examining the statutory framework, constitutional underpinnings, judicial interpretations and India's responsibilities under international labour norms, this study critically investigates the Employee's Compensation Act, 1923. In addition to secondary sources such as books, peer-reviewed journals, government reports and academic articles, the study employs a doctrinal research methodology based on the examination of primary sources, such as statutes, constitutional provisions, judicial precedents and international conventions. It also reviews whether the current legislative framework sufficiently meets modern employment realities, such as occupational health concerns and the expanding gig economy, as well as the practical obstacles that keep workers from collecting timely compensation. The study concludes that although the Act upholds the values of social justice and labour welfare, its goals can only be achieved through stricter enforcement, streamlined claim processes, increased institutional accountability, better legal knowledge and legislative changes that guarantee timely and efficient compensation for all qualified employees.

Keywords: *Employee's Compensation Act, 1923, Workplace Injuries, Occupational Diseases, Labour Welfare, Social Security*

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I. INTRODUCTION

A. Historical evolution of employees' compensation law

The development of employees' compensation law is closely associated with industrialization and the recognition of occupational risks. Traditionally, injured workers depended upon common law remedies, in which doctrines such as contributory negligence, common employment and assumption of risk frequently restricted recovery. The growth of industrial employment demonstrated the inadequacy of these principles and created the need for statutory protection.¹

India addressed this need through the enactment of the Workmen's Compensation Act, 1923, subsequently renamed the Employee's Compensation Act, 1923.² The legislation marked an important shift from conventional fault-based liability towards a statutory system of compensation for specified employment injuries.³

Its objective was to provide financial protection to employees and their dependants in cases of employment-related injury, disablement and death. The development of international social security standards further strengthened this approach. The International Labour Organization's Employment Injury Benefits Convention, 1964 (No. 121) recognizes employment injury as an important social security contingency and provides standards concerning medical care, incapacity and survivors' benefits.⁴

The contemporary movement towards comprehensive social security is reflected in India's Code on Social Security, 2020, which subsumes the 1923 Act. The Code re-enacts the scheme of the 1923 Act in its Chapter VII (sections 73 to 99), and the 1923 Act stands repealed with effect from 21 November 2025, the date on which the relevant provisions of the Code were brought into force.⁵ The provisions of the 1923 Act discussed in this paper therefore describe a scheme that now continues, in substantially similar form, under the Code.

¹ S.C. SRIVASTAVA, *INDUSTRIAL RELATIONS AND LABOUR LAWS* (9th rev. ed. 2026).

² The Employee's Compensation Act, No. 8 of 1923, INDIA CODE (1923) (repealed 2025). The Act was renamed, and "workman" replaced by "employee" throughout, by the Workmen's Compensation (Amendment) Act, No. 45 of 2009, INDIA CODE (2009), with effect from January 18, 2010.

³ K.D. SRIVASTAVA, *COMMENTARIES ON THE WORKMEN'S COMPENSATION ACT, 1923* (Eastern Book Co.).

⁴ Employment Injury Benefits Convention, 1964 (No. 121), July 8, 1964, https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312266.

⁵ The Code on Social Security, No. 36 of 2020, INDIA CODE (2020). Chapter VII (§§ 73–99) re-enacts the scheme of the Employee's Compensation Act, 1923, vesting the Commissioner's functions in a "competent authority" (§§ 90–91) and recasting the penalty for default as "damages" (§ 77(3)); § 164(1), item 1, repeals the 1923 Act. These provisions came into force on November 21, 2025. MINISTRY OF LABOUR & EMP'T, Notification S.O. 5319(E) (Nov. 21, 2025), <https://egazette.gov.in/WriteReadData/2025/267882.pdf>.

B. Conceptual framework of employees' compensation

Employees' compensation refers to the statutory protection provided to employees who suffer injury, disablement or death arising from employment. Unlike ordinary tort compensation, its principal purpose is not merely to establish fault but to distribute employment-related risks and provide economic security to affected workers.

Section 3 of the Employee's Compensation Act establishes employer liability for personal injury caused by an accident arising out of and in the course of employment.⁶ S.C. Srivastava places employees' compensation within the wider concept of social security and labour welfare, emphasising the protective function of labour legislation.⁷ Compensation therefore serves as both a legal remedy and an instrument of income protection.

C. Objectives of the study

The principal objective of this study is to examine the effectiveness of the Employee's Compensation Act, 1923 in ensuring accessible and adequate compensation for employment-related injuries. It particularly examines the gap between statutory rights and their practical enforcement.

The study further evaluates procedural and evidentiary barriers, institutional deficiencies, the protection of informal workers and the challenges created by emerging employment relationships. It also considers the constitutional and socio-economic significance of compensation and compares the Indian framework with international standards.

II. STATUTORY FRAMEWORK

A. Legislative framework of the Employee's Compensation Act, 1923

Until its repeal, the Employee's Compensation Act provided the principal statutory framework governing compensation for employment injuries. Section 3 establishes employer liability, while section 4 prescribes the basis for calculating compensation for death and for the different categories of disablement.⁸ Section 4A and sections 19 to 25A address payment, adjudication and the administration of claims.⁹

The Commissioner for Employees' Compensation has jurisdiction to determine disputes concerning liability and compensation.¹⁰ The statutory framework therefore combines

⁶ Employee's Compensation Act § 3.

⁷ S.C. SRIVASTAVA, *SOCIAL SECURITY AND LABOUR LAWS* (Eastern Book Co. 1985).

⁸ Employee's Compensation Act §§ 3–4.

⁹ *Id.* §§ 4A, 19–25A.

¹⁰ *Id.* § 19.

substantive entitlement with a specialized adjudicatory mechanism. However, changes in the labour market have exposed the limitations of a framework historically structured around conventional employer–employee relationships.

The Code on Social Security, 2020 represents an effort to consolidate social security legislation and expressly recognizes unorganised, gig and platform workers.¹¹ This reflects an attempt to extend social protection to workers outside traditional employment structures.

B. Constitutional foundations

Employees' compensation is supported by India's constitutional commitment to social justice and worker welfare. Article 14 guarantees equality, while Article 21 protects life and personal liberty and has been interpreted to include dignity and livelihood. Articles 38, 39(e), 41, 42 and 43 further recognize the responsibility of the State towards social welfare and humane working conditions.¹²

In *Consumer Education & Research Centre v. Union of India*, the Supreme Court recognized occupational health and the well-being of workers as connected with the constitutional right to life.¹³ Similarly, *Bandhua Mukti Morcha v. Union of India* emphasized humane conditions of work and the dignity of labour.¹⁴ The Employee's Compensation Act can therefore be viewed as a legislative expression of constitutional principles of social justice.

C. Principles of employer's liability

Section 3 establishes the central principle of employer liability where an employee suffers personal injury from an accident arising out of and in the course of employment.¹⁵ The statutory framework reduces the importance of proving ordinary negligence and instead places specified employment risks upon the employer.

In *Pratap Narain Singh Deo v. Srinivas Sabata*, the Supreme Court emphasised the statutory nature of the employer's liability and considered the consequences of permanent disablement for compensation.¹⁶ In *Ved Prakash Garg v. Premi Devi*, the Court examined employer liability in relation to insurance and statutory compensation.¹⁷ The principle reflects the social welfare rationale that an enterprise benefiting from labour should bear responsibility for specified employment-related risks.

¹¹ Code on Social Security ch. IX.

¹² INDIA CONST. arts. 14, 21, 38, 39(e), 41, 42, 43.

¹³ *Consumer Educ. & Rsch. Ctr. v. Union of India*, (1995) 3 SCC 42 (India).

¹⁴ *Bandhua Mukti Morcha v. Union of India*, (1984) 3 SCC 161 (India).

¹⁵ Employee's Compensation Act § 3.

¹⁶ *Pratap Narain Singh Deo v. Srinivas Sabata*, (1976) 1 SCC 289 (India).

¹⁷ *Ved Prakash Garg v. Premi Devi*, (1997) 8 SCC 1 (India).

D. Occupational injuries and diseases

The Act provides compensation for employment-related accidents and recognizes specified occupational diseases. Section 3, read with Schedule III, addresses diseases associated with particular employments.¹⁸ This is important because occupational diseases may develop gradually and may not be traceable to a single identifiable accident.

Claims involving occupational diseases may create significant evidentiary difficulties, because the employee must establish the necessary connection between the employment and the disease. International standards similarly recognize occupational diseases within employment injury protection, thereby supporting a broader conception of workplace harm.¹⁹

III. IMPLEMENTATION FRAMEWORK

A. Administration of compensation claims

The Act establishes a specialised system through the Commissioner for Employees' Compensation. Section 19 provides for the determination by the Commissioner of disputes relating to liability and compensation.²⁰ This mechanism is intended to provide an accessible alternative to ordinary civil litigation.

The claims process may require consideration of employment records, wages, medical evidence, the circumstances of the accident and the degree of disablement. Section 25A reflects the legislative intention that proceedings should be disposed of expeditiously.²¹ K.D. Srivastava's commentary highlights the central role of the Commissioner in determining claims under the Act.²² Nevertheless, delays, lack of awareness and difficulties in producing evidence may undermine effective access to the statutory remedy.

B. Judicial approach to compensation

Indian courts have generally adopted a beneficial interpretation of employees' compensation legislation. The objective is to ensure that technical interpretation does not defeat the protective purpose of the statute.

In *Pratap Narain Singh Deo*, the Supreme Court adopted a worker-protective approach in determining employer liability.²³ In *Fulmati Dhramdev Yadav v. New India Assurance Co.*, the

¹⁸ Employee's Compensation Act § 3, sch. III.

¹⁹ Employment Injury Benefits Convention, *supra* note 4, arts. 6–9.

²⁰ Employee's Compensation Act § 19.

²¹ *Id.* § 25A.

²² K.D. SRIVASTAVA, *supra* note 3.

²³ *Pratap Narain Singh Deo*, *supra* note 16.

Court reaffirmed the social welfare character of compensation legislation.²⁴ More recently, *Daivshala v. Oriental Insurance Co.* demonstrates the continuing judicial importance of examining the factual connection between employment and injury while interpreting the statutory employment nexus.²⁵ Judicial interpretation has therefore played an important role in adapting the legislation to changing employment circumstances.

C. Enforcement mechanisms

A statutory right becomes meaningful only when compensation is actually received. Section 4A requires compensation to be paid as soon as it falls due and provides for interest and a penalty in cases of default.²⁶

The Act also provides an appellate mechanism against specified orders of the Commissioner.²⁷ However, delay in enforcement can undermine the welfare purpose of compensation, because injured employees may require immediate financial assistance. Effective enforcement should therefore focus not merely on obtaining an order but on ensuring prompt payment.

D. Institutional framework

The institutional structure principally consists of the Commissioners for Employees' Compensation and the wider labour administration machinery.²⁸ The Commissioner plays a central role in adjudicating disputes concerning employment injury, liability and compensation. Historical research demonstrates that institutional administration has significantly influenced the effectiveness of compensation law. Dhar and Nite's study of the Raniganj coalfield found that employer contestation and cumbersome administrative procedures affected workers' ability to secure compensation.²⁹

The contemporary framework therefore requires adequate institutional capacity, simplified procedures, worker awareness and effective enforcement. The Code on Social Security, 2020 provides an opportunity to develop a more integrated social security structure capable of responding to informal and emerging forms of employment.³⁰

²⁴ *Fulmati Dhrmdev Yadav v. New India Assurance Co.*, 2023 INSC 790 (India).

²⁵ *Daivshala v. Oriental Ins. Co.*, 2025 INSC 904 (India).

²⁶ Employee's Compensation Act § 4A.

²⁷ *Id.* § 30.

²⁸ *Id.* §§ 20–23.

²⁹ Debasree Dhar & Dhiraj Kumar Nite, *The Compensation Law and Its Antagonistic Administration: The Indian Coalfield of Raniganj, 1923–71*, 63 LAB. HIST. 391, 391–405 (2022), <https://doi.org/10.1080/0023656X.2022.2109010>.

³⁰ Code on Social Security §§ 109–114.

Ultimately, the effectiveness of employees' compensation depends upon converting statutory entitlement into timely and accessible relief.

IV. CHALLENGES IN IMPLEMENTATION

A. Procedural impediments

The Employee's Compensation Act, 1923 was enacted as welfare-oriented legislation intended to provide employees and their dependants with monetary relief for employment-related injuries, disablement and death. The Act established a specialized adjudicatory mechanism through the Commissioner for Employees' Compensation, thereby reducing dependence upon ordinary civil litigation.³¹

Nevertheless, the existence of a statutory remedy has not always translated into effective access to compensation. Procedural delay, inadequate awareness, difficulties in initiating claims and employer contestation continue to affect the practical effectiveness of the law.

The historical administration of compensation law demonstrates that procedural complexity has been a persistent problem. Dhar and Nite's study of the Raniganj coalfield between 1923 and 1971 shows that compensation claims were frequently met with employer contestation and cumbersome administrative procedures.³²

The authors argue that litigation and antagonistic administration diminished the usefulness of compensation as a mechanism of restitution for injured workers and bereaved families.³³ K.D. Srivastava's commentary similarly demonstrates the importance of the statutory machinery concerning claims, liability and adjudication.³⁴

Procedural accessibility thus remains a fundamental requirement. A compensation system designed for economically vulnerable workers must ensure that the cost, duration and complexity of proceedings do not themselves become barriers to justice.

B. Evidentiary constraints

A significant difficulty under the Act is the requirement of establishing that an injury or accident arose out of and in the course of employment.³⁵

In formal employment, appointment letters, wage registers, attendance records and medical documents may assist the employee. Workers in informal or precarious employment, however,

³¹ Employee's Compensation Act §§ 19–25A.

³² Dhar & Nite, *supra* note 29, at 391–405.

³³ *Id.*

³⁴ K.D. SRIVASTAVA, *supra* note 3.

³⁵ Employee's Compensation Act § 3.

may lack such documentary evidence. Employers may also dispute the existence of an employment relationship, the circumstances of the accident or the extent of disablement.

The evidentiary problem is particularly serious where an accident occurs away from the immediate workplace but has a sufficient connection with employment. Courts have therefore adopted a purposive approach to the employment nexus. In *Daivshala v. Oriental Insurance Co.*, the Supreme Court considered the circumstances in which an accident connected with the employee's journey to work could fall within the protective scope of employees' compensation law.³⁶ Such decisions demonstrate that rigid evidentiary approaches may undermine the social welfare objective of the legislation.

Accordingly, evidentiary requirements should be applied realistically, particularly where the employer is in a substantially better position to possess employment records and accident-related evidence.

C. Institutional deficiencies

The effectiveness of compensation legislation depends heavily upon the institutions responsible for processing, adjudicating and enforcing claims. Although the Act provides for Commissioners and imposes a statutory duty concerning the timely disposal of proceedings,³⁷ delays, administrative limitations and inadequate enforcement may prevent injured employees from obtaining timely relief.

The historical experience of Raniganj provides significant evidence of this problem. Dhar and Nite demonstrate that the cumbersome enforcement process and legal contestation imposed considerable burdens upon workers.³⁸ Although subsequent procedural simplification improved workers' success in obtaining compensation, the authors observe that legal proceedings could continue to impose substantial expense and hardship.³⁹

Institutional deficiencies therefore include not merely delay but inadequate legal assistance, insufficient administrative capacity, inconsistent procedures and difficulties in enforcement. Strengthening the institutional structure is consequently as important as reforming substantive compensation rules.

³⁶ *Daivshala*, *supra* note 25.

³⁷ Employee's Compensation Act § 25A.

³⁸ Dhar & Nite, *supra* note 29, at 391–405.

³⁹ *Id.*

D. Coverage of informal employment

The traditional framework of the 1923 Act was principally structured around a recognizable employer–employee relationship. This creates difficulties where employment is undocumented, temporary, subcontracted or otherwise informal. Workers may be unable to establish who bears statutory responsibility for the injury, or may face disputes as to whether they fall within the statutory definition of an employee.

The problem is particularly important because informal employment frequently involves weaker bargaining power and limited access to legal remedies. The broader social security framework introduced by the Code on Social Security, 2020 reflects legislative recognition of this problem by expressly addressing unorganised workers.⁴⁰

The contemporary challenge is therefore to ensure that informality does not become a basis for exclusion from employment injury protection. Compensation law must respond to the economic reality of work rather than solely to formal contractual classifications.

E. Emerging employment relationships

Technological developments have generated new forms of work, including platform-based, app-based, freelance and other non-standard employment. These relationships challenge the traditional binary distinction between employee and independent contractor. A worker may be economically dependent upon a digital platform while formally being classified as an independent contractor.

The Code on Social Security, 2020 represents an important legislative response because it expressly recognizes gig workers and platform workers within the social security framework.⁴¹

Karunya's recent analysis of employer liability for industrial injuries similarly highlights the transition from the Employee's Compensation Act to the broader framework of the Code on Social Security.⁴²

The central challenge is to prevent contractual innovation from producing exclusion from social security. Emerging employment relationships require mechanisms capable of identifying responsibility for employment injuries even where conventional employment structures are absent.

⁴⁰ Code on Social Security ch. IX.

⁴¹ *Id.* ch. IX, §§ 109–114.

⁴² V. Karunya, *Employer's Liability for Industrial Injuries: A Critical Analysis from the Employees' Compensation Act, 1923 to the Code on Social Security, 2020*, 6 INDIAN J. LEGAL REV. 741, 741–45 (2026), <https://ijlr.iledu.in/v6i578/>.

V. LEGAL AND SOCIO-ECONOMIC IMPLICATIONS

A. Impact on employees

Employment injury can have serious and continuing consequences for employees and their families. Temporary or permanent disablement may result in loss of wages, medical expenditure, reduced earning capacity and dependency upon family members. In cases of death, the economic consequences may extend to the entire household.

Compensation consequently performs an important income security function. The Supreme Court has repeatedly recognized the beneficial character of employees' compensation legislation and emphasized that its provisions should advance the protective purpose of the statute.⁴³

The effectiveness of this protection, however, depends upon the adequacy and promptness of payment. Delayed compensation may fail to address the immediate economic consequences of injury. Historical research reinforces this concern: Dhar and Nite demonstrate that injured workers and bereaved families frequently encountered significant obstacles in securing statutory benefits.⁴⁴ The impact upon employees must thus be evaluated not merely by the amount legally payable but by whether compensation is actually accessible when required.

B. Labour welfare and social security

Employees' compensation forms an important part of labour welfare and social security because employment injury represents a foreseeable social and economic risk associated with work. S.C. Srivastava's writings on labour law and social security place employment protection within the wider framework of welfare legislation and the responsibility of the State towards workers.⁴⁵

The movement towards the Code on Social Security, 2020 reflects an effort to consolidate and broaden India's social security framework.⁴⁶ The development is significant because social security increasingly extends beyond conventional factory employment to workers in unorganised and emerging sectors.

International standards support this broader understanding. ILO Convention No. 121 requires protection in cases of employment injury and provides for medical care and cash benefits.⁴⁷ The

⁴³ *Fulmati Dhramdev Yadav*, *supra* note 24.

⁴⁴ Dhar & Nite, *supra* note 29, at 391–405.

⁴⁵ SRIVASTAVA, INDUSTRIAL RELATIONS AND LABOUR LAWS, *supra* note 1; SRIVASTAVA, SOCIAL SECURITY AND LABOUR LAWS, *supra* note 7.

⁴⁶ Code on Social Security, long title.

⁴⁷ Employment Injury Benefits Convention, *supra* note 4, art. 9.

ILO further recognizes rehabilitation, prevention and reintegration into employment as important components of employment injury protection.⁴⁸

C. Industrial relations

An effective compensation system can contribute to stable industrial relations by providing workers with a predictable legal remedy following workplace injury. Where legitimate claims are promptly recognized, disputes may be resolved through established legal mechanisms rather than through industrial confrontation.

Conversely, employer contestation and delayed compensation can generate distrust between workers and management. The Raniganj study demonstrates how antagonistic administration affected the practical operation of compensation law and reduced its capacity to function as an effective welfare mechanism.⁴⁹

Compensation therefore has a dual role: it provides individual relief while also encouraging employers to recognize occupational safety as an important component of responsible industrial management.

D. Constitutional and human rights dimensions

The protection of employees against workplace injury is consistent with India's constitutional commitment to social justice. Article 14 guarantees equality before the law, while Article 21 protects life and personal liberty, which judicial interpretation has associated with dignity and livelihood. Articles 38, 39(e), 41 and 43 further reflect the constitutional commitment to social welfare, the protection of workers and humane conditions of work.⁵⁰

Employment injury may directly affect livelihood and dignity. Consequently, compensation legislation can be understood as an instrument for giving practical effect to constitutional principles of labour welfare. The State's responsibility extends beyond enacting legislation to ensuring that statutory protection is effectively accessible to vulnerable workers.

E. Economic implications

Employment injuries produce costs extending beyond the individual worker. Families may experience loss of income, medical expenditure and increased dependency, while employers may bear compensation and productivity costs. At a broader level, widespread occupational injuries can affect labour productivity and impose additional social security burdens.

⁴⁸ INT'L LAB. ORG., *GEIP Employment Injury Insurance Standards and Conventions* (Apr. 17, 2018), <https://www.ilo.org/resource/geip-employment-injury-insurance-standards-and-conventions>.

⁴⁹ Dhar & Nite, *supra* note 29, at 391–405.

⁵⁰ INDIA CONST. arts. 14, 21, 38, 39(e), 41, 43.

An effective compensation system can therefore operate as a mechanism of economic stabilization by replacing part of the worker's lost income and reducing the financial shock caused by disability or death. It can also create incentives for employers to improve workplace safety. ILO standards recognize the connection between employment injury protection, prevention, rehabilitation and reintegration.⁵¹

VI. INTERNATIONAL AND COMPARATIVE FRAMEWORK

A. International labour standards

International labour standards recognize employment injury protection as a core component of social security. The principal international instrument is the Employment Injury Benefits Convention, 1964 (No. 121), adopted by the International Labour Organization.⁵² Although India has not ratified it, the Convention establishes standards concerning protection against employment injuries and occupational diseases, including incapacity, loss of earning capacity and death.

The ILO framework goes beyond the payment of compensation. It links employment injury insurance with medical treatment, rehabilitation, the prevention of occupational injuries and reintegration into employment.⁵³ This integrated approach provides an important benchmark for evaluating the Indian system.

B. International legal instruments

ILO Convention No. 121 requires protected persons to receive medical care and cash benefits in specified employment injury contingencies.⁵⁴ It also provides for benefits associated with incapacity and death, thereby recognizing the continuing economic consequences of employment injury. The accompanying Employment Injury Benefits Recommendation, 1964 (No. 121) provides further guidance concerning the progressive development of protection.⁵⁵ The international framework thus emphasizes adequate benefits, medical assistance, rehabilitation and the protection of dependants.

For India, these standards demonstrate that compensation should not be understood simply as a one-time monetary payment. A comprehensive system must address the worker's medical, economic and social rehabilitation.

⁵¹ INT'L LAB. ORG., *supra* note 48.

⁵² Employment Injury Benefits Convention, *supra* note 4. India has not ratified the Convention. See INT'L LAB. ORG., *Ratifications for India*, NORMLEX, https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:11200:0::NO::p11200_country_id:102691.

⁵³ INT'L LAB. ORG., *supra* note 48.

⁵⁴ Employment Injury Benefits Convention, *supra* note 4, art. 9.

⁵⁵ Employment Injury Benefits Recommendation, 1964 (No. 121), July 8, 1964.

C. Comparative jurisprudence

Comparative legal approaches increasingly recognise employment injury as a matter of social security rather than merely a private dispute between employer and employee. International standards favour broad coverage, accessible procedures and adequate benefits.⁵⁶

Indian jurisprudence has similarly adopted a beneficial approach to employees' compensation legislation. Decisions such as *Fulmati Dhramdev Yadav* demonstrate judicial recognition of the social welfare character of the compensation framework.⁵⁷

Nevertheless, judicial protection alone cannot resolve institutional problems such as procedural delay, lack of awareness and inadequate coverage. The comparative experience therefore indicates that substantive rights must be accompanied by effective administrative structures and accessible claims procedures.

D. Lessons for India

The principal lessons for India are the need for wider coverage, simplified procedures, institutional efficiency, evidentiary flexibility and protection for workers in emerging forms of employment. The Code on Social Security, 2020 provides an important basis for such development by recognizing unorganised, gig and platform workers within the broader social security framework.⁵⁸

India should consequently focus not merely on legislative consolidation but on effective implementation. Digital claim mechanisms, accessible legal assistance, stronger institutional capacity, timely adjudication and improved awareness among workers can substantially enhance access to compensation.

Ultimately, the effectiveness of employment injury protection should be measured by whether an injured worker can obtain timely, adequate and accessible relief. The historical experience of the Employee's Compensation Act demonstrates that statutory recognition alone is insufficient. The future framework must combine legislative protection with effective enforcement, social security integration and responsiveness to changing employment relationships.

⁵⁶ INT'L LAB. ORG., *supra* note 48.

⁵⁷ *Fulmati Dhramdev Yadav*, *supra* note 24.

⁵⁸ Code on Social Security §§ 109–114.

VII. REFORMATIVE FRAMEWORK

A. Legislative reforms

Legislative reform is important to make the compensation system suited to present employment conditions. The Employee's Compensation Act was enacted in 1923 and, although it was amended from time to time, the nature of employment has changed to a great extent.⁵⁹

Modern workplaces involve advanced technology, new occupational hazards and different types of contractual relationships. The law should be developed in such a way that workers are not denied social protection only because their employment relationship differs from the traditional employer–employee relationship.

This issue is particularly important in the case of gig workers and platform workers, whom the Code on Social Security, 2020 now defines.⁶⁰ The Code also makes provision for the registration of unorganised, gig and platform workers and for social security schemes for them.

The provisions relating to occupational diseases should be made clearer, and the reporting of workplace accidents should be strengthened.

Another important reform is the regular revision of compensation amounts and other monetary limits.⁶¹ The compensation provided under welfare legislation should be reviewed periodically so that it continues to provide meaningful financial support to injured workers and their dependants.

B. Institutional strengthening

The institutions concerned should have sufficient staff, proper infrastructure, digital facilities and adequate training. The authorities dealing with compensation matters should have knowledge of employment law, occupational diseases, medical assessment and disability evaluation.

They should also understand the practical problems which workers face while making a claim. Special attention is required for workers in the unorganised sector. Many such workers lack trade union support, legal assistance or sufficient knowledge of government institutions. As a result, even when they have a genuine claim, they may face difficulty in accessing the legal system.⁶²

⁵⁹ Employee's Compensation Act, *supra* note 2.

⁶⁰ Code on Social Security §§ 2(35), 2(61).

⁶¹ Employee's Compensation Act §§ 4, 4A. The monthly wage ceiling for computing compensation under § 4(1B) was last raised, from Rs. 8,000 to Rs. 15,000, by MINISTRY OF LABOUR & EMP'T, Notification S.O. 71(E) (Jan. 3, 2020).

⁶² INDIA CONST. art. 39A; The Legal Services Authorities Act, No. 39 of 1987, INDIA CODE (1987).

C. Administrative reforms

Delays in the administrative process can hinder the compensation process, which in turn defeats the very purpose of compensation. It is essential that claims are handled in a timely, simple and accessible manner, whatever their eventual outcome.⁶³

Firstly, the digital and manual submission of compensation claims, and the accessibility of both, should be prioritized. Digital modes can be used for recording, documentation, tracking and communication.

Secondly, records of employees, wages, workplace accidents and diseases must be maintained to ensure smooth coordination and prevent delays.

The reporting of accidents must be taken seriously, particularly in the informal and unorganised sector. The Occupational Safety, Health and Working Conditions Code, 2020 emphasizes the importance of reporting accidents, dangerous occurrences and occupational diseases.⁶⁴

Above all, it is necessary to establish a coordination mechanism between labour departments, hospitals, medical experts and insurance companies to minimize delays and paperwork in the settlement of claims.

D. Policy initiatives

Laws alone do not protect workers; rules on paper are not enough. Workers must know their rights, especially in relation to employment injuries, work-related illnesses, disablement and death.⁶⁵ Awareness can be spread effectively if labour departments, trade unions and employers each play a part, and social media can also carry the message.

The unorganised sector presents a distinct difficulty. Workers there often struggle to prove that they are employed at all, which makes access to social security difficult. Initiatives such as e-Shram therefore matter, because they help to register and identify these workers, including those in gig and platform work. Labour policy, moreover, should not operate only after an accident has occurred.

Preventing accidents is just as important. Safety training, regular inspections, medical check-ups and proper workplace safety measures can protect workers and reduce employment-related injuries.

⁶³ Employee's Compensation Act §§ 19, 21.

⁶⁴ The Occupational Safety, Health and Working Conditions Code, No. 37 of 2020, INDIA CODE (2020), §§ 10–12.

⁶⁵ Employee's Compensation Act §§ 3, 4, 10.

VIII. CONTEMPORARY DEVELOPMENTS

A. Gig and platform employment

The growth of gig and platform work is one of the major challenges to the traditional understanding of labour law. The Code on Social Security, 2020 is important in this regard because it gives statutory recognition to gig workers and platform workers, and empowers the Central Government to frame social security schemes for them on matters including life and disability cover, accident insurance, health and maternity benefits and old-age protection.⁶⁶

According to NITI Aayog's 2022 report, India's gig and platform workforce was estimated at around 7.7 million in 2020–21 and was projected to grow to 23.5 million by 2029–30.⁶⁷ One of the main challenges is therefore to ensure that the flexibility of gig work does not result in workers being excluded from basic social protection.

B. Occupational health and safety

Occupational health and safety has become increasingly important in the present working environment. Workplace risks cannot be understood only in terms of sudden accidents; workers can also develop diseases and disabilities through continuous exposure to hazardous working conditions.

The Occupational Safety, Health and Working Conditions Code, 2020 seeks to consolidate and amend the laws relating to occupational safety, health and working conditions. It includes provisions relating to the duties of employers, accident reporting, the notification of occupational diseases, occupational safety and health standards, safety surveys and safety committees.⁶⁸

There is a close connection between occupational safety and compensation. Compensation mainly provides protection after an injury has taken place, whereas occupational safety laws seek to prevent such injuries from happening in the first place. A proper labour policy should therefore focus on both prevention and compensation.

C. Technological advancements

Technology can play an important role in improving the administration of employees' compensation. Digital systems can make it easier for workers to register their claims, upload documents, check the status of their cases and receive communications from the authorities

⁶⁶ Code on Social Security § 114(1).

⁶⁷ NITI AAYOG, *India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work* (2022).

⁶⁸ Occupational Safety, Health and Working Conditions Code §§ 6–12, 18, 20, 22–23.

concerned. Government databases can also help in identifying workers and connecting them with different social security schemes.⁶⁹ The e-Shram portal is one example of a national initiative for creating a database of unorganised workers, including gig and platform workers. Technology can also make accident reporting more effective.

Digital systems should support physical facilitation and human assistance instead of completely replacing them.

Another important issue is data protection. Compensation claims may contain employment-related and medical information which should be kept confidential. While developing digital labour administration, proper safeguards should therefore be maintained regarding access to such information and its accuracy and security.

D. Future perspectives

The future development of employees' compensation law will depend upon how effectively it responds to the changing nature of employment while continuing to protect the basic principle of social security.⁷⁰

Future reforms should therefore focus on the portability of social security benefits, easier registration of workers, effective accident insurance and better methods for identifying employment-related risks. The Code on Social Security provides an important legal foundation for wider social protection, including protection for unorganised, gig and platform workers.

At the same time, technology should not be used only for converting existing procedures into digital form. It should also help in improving enforcement. Data-based inspections, electronic accident reporting and integrated worker databases can help authorities understand patterns of workplace injuries and identify cases of non-compliance.

IX. RECOMMENDATIONS AND FINAL OBSERVATION

A. Recommendations

1. **Simplify claim procedures.** Compensation claims should be easy to file and understand. Both online and physical filing should be available so that all workers can access the system.
2. **Ensure time-bound disposal.** Claims should be decided within a reasonable time. Unnecessary delays and adjournments must be reduced, especially in cases of serious injury, disability and death.

⁶⁹ Code on Social Security §§ 111–113.

⁷⁰ Social Protection Floors Recommendation, 2012 (No. 202), June 14, 2012.

3. **Strengthen employer accountability.** Employers should properly report accidents, maintain records and pay compensation. Failure to follow these duties should have effective legal consequences.⁷¹
4. **Increase worker awareness.** Workers should be informed about their rights through awareness programmes, regional languages, digital platforms and community-based initiatives.
5. **Provide legal assistance.** Unorganised and vulnerable workers should have access to legal aid and worker facilitation centres, so that lack of money or legal knowledge does not prevent them from making a claim.
6. **Strengthen accident reporting.** A proper and standardized accident reporting system is necessary to prevent underreporting and to ensure that injured workers receive compensation.⁷²
7. **Link compensation with social security.** Employees' compensation should work as part of the wider social security system, including protection for unorganised, gig and platform workers.
8. **Protect gig and platform workers.** Gig and platform workers should have easier access to registration, accident insurance, disability protection and other social security benefits.
9. **Use technology wisely.** Technology can make claim procedures faster through online registration, document submission and case tracking. Physical assistance should, however, remain available for workers who cannot access digital services.⁷³
10. **Prioritize workplace safety.** Compensation should not replace safety. Regular inspections, safety training, health monitoring and accident prevention measures should be strengthened.
11. **Review compensation standards regularly.** Compensation amounts should be periodically revised on the basis of changes in wages, inflation and the cost of living.
12. **Improve institutional coordination.** Labour authorities, hospitals, medical experts and insurance providers should work together to reduce delays and make the claim process smoother.

⁷¹ Employee's Compensation Act §§ 4A, 10, 10B.

⁷² Occupational Safety, Health and Working Conditions Code § 10.

⁷³ MINISTRY OF LABOUR & EMP'T, GOV'T OF INDIA, *e-Shram Portal: National Database of Unorganised Workers*.

B. Final observation

The Employee's Compensation Act, 1923 long stood as a key law protecting workers injured at work, and its scheme now continues in Chapter VII of the Code on Social Security, 2020. The underlying idea is simple: if a person is hurt while working, neither that person nor the family should be left to bear the loss alone. The Supreme Court made it clear in *Pratap Narain Singh Deo v. Srinivas Sabata* that compensation falls due as soon as the personal injury is caused, so that the employer's liability to pay arises at once.⁷⁴ Work, however, is not what it was in 1923. Gig workers, platform workers and millions of people in unorganised employment now face new risks at work, and the older framework did not cover all of them. That is why the Code on Social Security, 2020 matters: it aims to expand protection and to keep pace with the changing nature of work.⁷⁵ For these laws to serve their purpose, compensation must be adequate, easy to obtain and paid without long delay. Strong enforcement is essential, but so are the use of technology, awareness among workers of their rights, and safer workplaces in the first place.⁷⁶ In the end, the aim is to ensure that when a worker is injured, real help arrives quickly, when it is needed most.

⁷⁴ *Pratap Narain Singh Deo*, *supra* note 16.

⁷⁵ Code on Social Security §§ 2(35), 2(61), 109–114.

⁷⁶ Occupational Safety, Health and Working Conditions Code, *supra* note 64; Occupational Safety and Health Convention, 1981 (No. 155), June 22, 1981.