

DOCTRINE OF NOTIONAL EXTENSION UNDER LABOUR LAW: A LEGAL ANALYSIS

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ABSTRACT

The Doctrine of Notional Extension is a significant judicial innovation under Indian labour jurisprudence that expands the scope of employer liability beyond the strict physical and temporal limits of the workplace. Rooted in Section 3(1) of the Employees' Compensation Act, 1923, the doctrine addresses the interpretative challenge of determining when an accident can be said to have arisen "out of and in the course of employment." Traditional interpretations confined employment to fixed working hours and designated premises; however, evolving employment conditions necessitated a broader and more realistic approach. The doctrine conceptually extends the employer's premises and employment conditions to include situations reasonably incidental to employment, such as employer-provided transport, work-related travel, and acts connected with employment duties.

This paper examines the conceptual foundation, statutory basis, and judicial development of the doctrine through landmark decisions of Indian courts. It analyses how courts have balanced the requirement of causal nexus with the principles of social justice to ensure compensation for employment-related risks occurring outside the workplace. The study further explores circumstances where the doctrine has been denied application, thereby identifying its limitations and exceptions, including cases involving willful misconduct, intoxication, or absence of employment nexus.

Additionally, the paper discusses the continuity of this doctrine under the Code on Social Security, 2020, highlighting its relevance in contemporary labour law. By analysing statutory provisions and judicial precedents, the article demonstrates that the Doctrine of Notional Extension plays a vital role in strengthening employee protection and reinforcing the welfare-oriented character of Indian labour legislation. The doctrine thus serves as a bridge between rigid statutory interpretation and the practical realities of modern employment relationships.

(Keywords: Doctrine of Notional Extension, Employees' Compensation Act, 1923, Arising out of and in the Course of Employment, Employer's Liability)

I. Introduction

The Employees' Compensation Act, 1923²⁵⁰⁶, formerly known as the Workmen's Compensation Act, is one of the earliest social security legislations enacted in India to protect employees from financial hardship arising out of employment-related injuries, occupational

diseases, or death. The Act imposes a statutory obligation on employers to compensate employees for personal injuries caused by accidents arising out of and in the course of employment under Section 3. However, with the evolution of employment conditions, it became evident that employment cannot always be confined strictly within the physical boundaries of the workplace or fixed working hours.

²⁵⁰⁶ Employees' Compensation Act, No. 8 of 1923, § 3, India Code (1923).

Employees often face risks outside the workplace while performing duties related to employment. To address this, courts developed the Doctrine of Notional Extension, which extends the scope of employment beyond the employer's premises and working hours, thereby ensuring that employees receive compensation even when injuries occur outside the workplace, provided there is a nexus between the accident and employment.

II. Meaning and Concept of Doctrine of Notional Extension

The Doctrine of Notional Extension refers to the hypothetical or imaginary extension of the employer's premises, working hours, and employment conditions beyond their physical limits. This doctrine recognises that employment does not begin and end strictly at the workplace gate. Instead, it may extend to situations, places, and times that are reasonably connected with employment. The doctrine ensures that employees are protected even when they suffer injuries while travelling for work, using employer-provided transport, or performing acts incidental to employment. The fundamental purpose of this doctrine is to promote social justice and provide protection to employees against risks that arise due to their employment, even if those risks occur outside the workplace.

III. Essentials of Doctrine of Notional Extension under Section 3(1)

Section 3(1) of the Employees' Compensation Act²⁵⁰⁷ lays down certain essential conditions that must be satisfied before an employer can be held liable to pay compensation. The first essential requirement is the occurrence of an accident. An accident refers to a sudden, unexpected, and unforeseen event that causes injury to the employee. It does not include injuries caused due to ordinary wear and tear of work or normal fatigue.

The second requirement is that the accident must result in personal injury. The injury may be physical or psychological, but it must affect the employee's health, earning capacity, or ability to perform duties. The Act does not provide compensation for trivial injuries that do not affect the employee significantly.

The most important requirement is that the accident must arise out of and in the course of employment. The phrase "arising out of employment" refers to the causal connection between employment and injury. It means that the injury must be caused due to risks associated with employment. The phrase "in the course of employment" refers to the time, place, and circumstances of the accident. Through the doctrine of notional extension, this concept is extended beyond the workplace to include areas and situations reasonably connected with employment.

IV. Judicial Interpretation of "Arising Out of Employment"

The judiciary has played a crucial role in interpreting the concept of "arising out of employment." In *Mackinnon Mackenzie & Co. Pvt. Ltd. v Ibrahim Mohammad Issak*²⁵⁰⁸, the Supreme Court held that there must be a clear connection between the injury and employment. The Court clarified that employment includes not only the actual performance of duties but also activities incidental to employment. Similarly, in *Works Manager, Carriage and Wagon Shop v Mahabir*,²⁵⁰⁹ the court held that employment extends beyond actual work and includes the entire employment environment, including assigned tasks and working conditions.

In *Ramrao Zingraji Shende v Indian Yarn Manufacturing Company*,²⁵¹⁰ the employee sustained injuries while operating machinery. The employer argued that the injury occurred

²⁵⁰⁸ *Mackinnon Mackenzie & Co. (P) Ltd. v. Ibrahim Mahmmmed Issak*, (1969) 2 SCC 607 (India).

²⁵⁰⁹ *Works Manager, Carriage & Wagon Shop, E.I.R. v. Mahabir*, A.I.R. 1962 All. 263 (India).

²⁵¹⁰ *Ramrao Zingraji Shende v. Indian Yarn Mfg. Co. Ltd.*, A.I.R. 1966 Bom. 82 (India).

²⁵⁰⁷ Section 3, Employees' Compensation Act, No. 8 of 1923, § 3, India Code (1923).

due to the employee's negligence. However, the court held that the employer was liable because the accident arose out of employment. The court further clarified that mere negligence of the employee does not absolve the employer of liability unless the injury is caused due to willful misconduct such as intoxication.

V. Position of Doctrine of Notional Extension in India

The Doctrine of Notional Extension has been widely applied by Indian courts to protect employees. Courts have recognised that employment may extend beyond the workplace when employees are performing acts connected with their duties.

In *General Manager, Western Railway v Chandrabai*,²⁵¹¹ the employee met with an accident while travelling to work. The court held that the accident occurred during the course of employment by applying the doctrine of notional extension and granted compensation to the employee's family.

In *Leela Bai v Seema Chauhan*,²⁵¹² a bus driver fell from the bus while having meals on top of the bus and died. The Supreme Court held that the accident occurred in the course of employment and applied the doctrine of notional extension to grant compensation.

Similarly, in *Varadarajulu Naidu v Masaya Boyen*,²⁵¹³ the employer provided transport in a hilly area where no other means of transport were available. The court held that the transport formed part of employment premises, and therefore, the employer was liable.

In *TNCS Corporation Limited v Poomalai*,²⁵¹⁴ the employee died in a communal riot while travelling to work. The court extended the employer's premises notionally and held the employer liable.

In *Weaver v Tredegar Iron Ore Company*,²⁵¹⁵ a worker was injured at a railway platform provided exclusively for employees. The court applied the doctrine and held the employer liable.

VI. Cases where Doctrine was Not Applied

However, the doctrine is not unlimited and applies only when there is a sufficient connection between employment and injury. In *General Manager, BEST Undertaking v Agnes*,²⁵¹⁶ the employee had completed his duty and was travelling independently when the accident occurred. The court held that the doctrine of notional extension was not applicable.

Similarly, in *Saurashtra Salt Manufacturing Company v Bai Valu Raja*,²⁵¹⁷ the employee was injured after completing work while returning home. The court held that employment had ended and denied compensation.

In *St. Helen's Colliery Co. Ltd. v Hewlston*,²⁵¹⁸ the employee was injured while travelling in transport that was optional and not part of employment. The court refused to apply the doctrine.

VII. Exceptions to the Doctrine of Notional Extension

Although the doctrine expands employer liability, certain exceptions exist to prevent misuse. Compensation is not provided where the injury does not result in disability lasting more than three days. Similarly, if the injury is caused due to intoxication, the employer is not liable. The employer is also not liable if the employee deliberately disobeys safety instructions or removes safety equipment provided for protection. Furthermore, if the accident occurs in a public place where the employee is acting as an ordinary member of the public and not in connection with employment, the doctrine does not apply.

²⁵¹¹ Gen. Manager, W. Ry. v. Chandrabai, 1991 SCC OnLine MP 44 (India).

²⁵¹² Leela Bai v. Seema Chauhan, (2019) 4 SCC 325 (India).

²⁵¹³ Varadarajulu Naidu v. Masaya Boyen, (1954) 2 LLJ 426 (Mad.) (India).

²⁵¹⁴ T.N.C.S. Corp. Ltd. v. S. Poomalai, (1995) 1 LLJ 378 (Mad.) (India).

²⁵¹⁵ Weaver v. Tredegar Iron & Coal Co. Ltd., (1940) 3 All E.R. 157 (C.A.) (U.K.)

²⁵¹⁶ Gen. Manager, BEST Undertaking v. Agnes, A.I.R. 1964 S.C. 193 (India).

²⁵¹⁷ Saurashtra Salt Mfg. Co. v. Bai Valu Raja, A.I.R. 1958 S.C. 881 (India).

²⁵¹⁸ St. Helen's Colliery Co. Ltd. v. Hewlston, [1924] A.C. 59 (H.L.) (U.K.).

VIII. Doctrine under the Code on Social Security, 2020

The doctrine continues to exist under modern labour legislation. Section 74(4) of the Code on Social Security, 2020 incorporates the principle by recognising accidents arising out of and in the course of employment. This ensures continuity of employee protection under the new labour law framework.²⁵¹⁹

IX. Conclusion

The Doctrine of Notional Extension is an important principle in labour law that ensures employees receive compensation for injuries connected with employment, even if such injuries occur outside the physical workplace or working hours. The doctrine reflects the realities of modern employment and ensures social justice by protecting employees from employment-related risks. Indian courts have applied this doctrine in various cases to expand the scope of employer liability where necessary, while also recognising reasonable limitations. The incorporation of this doctrine under the Code on Social Security, 2020 further strengthens employee protection and reinforces the welfare nature of labour legislation in India.

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²⁵¹⁹ Code on Social Security, No. 36 of 2020, § 74(4), India Code (2020).