OFFICE OF THE COMMISSIONER OF LABOUR, ANDHRA PRADESH, HYDERABAD.

Circular Memo No. M1/10390/2012

AUG 2012

Dt. 25-7-2012

SUB:- Employee Compensation Act. 1923 – Deposit of Compensation amount and release in W.C. Cases – Instructions – issued.

REF:- 1. This Office Memo No. G1/543/2001. Dt. 02.02.2001 2. G.O.Ms.No.64 dt 1-6-2005 of Labour, Employment, Training and Factories (Lab. IV) Department.

In the reference 1st citied, Instructions have been issued that the W.C. Cases shall be handled by the then Assistant Commissioners of Labour (presently Deputy Commissioners of Labour) only and not by the then Deputy Commissioner of Labour (presently Joint Commissioners of Labour). Similarly, compensation amount should also be apportioned by the Deputy Commissioners of Labour (copy enclosed – Annex.1).

In the reference $2^{\rm nd}$ cited, Orders have been issued restructuring the Department with a view to improve the functioning of the Department.

In this regard, comprehensive instructions are issued as follows for ensuring convenience of the applicants/dependants and to ensure compliance with the statutory provisions vis-à-vis decisions of the Hon'ble Supreme Court Of India and the Hon'ble High Court of Andhra Pradesh.

- 1) All Fatal cases shall be taken up by the Assistant Commissioners of Labour and the Non-fatal cases shall be taken up by the Deputy Commissioners of Labour as there will be much complicated issues like Percentage of Disability and Loss of Earning Capacity Etc.
- 2) At the time of receipt of the applications, the applications shall be Scrutinized carefully with reference to the check-list enclosed Annex.2). If any deviation is found, the application shall be returned with instructions to re-submit along with compliance within SIX Weeks and the period above six weeks should be computed for the purpose Of delay. To this extent, instructions were issued by the Supreme Court of India vide their Circular Dt. 7-3-1989 (Annex XI).
- 3) The Applicant's address shall be verified and it should not be the "care of Address of the Advocate", as in Workmen Compensation Cases usually dependants enquiries have to be conducted at the place of residence of the deceased for apportionment of the compensation at a later stage. To ensure this Ration Card may be

insisted. However if there is no Ration card, an undertaking letter may be received informing the correct residential address.

- At present only the Joint Commissioner of Labour (earlier Deputy Commissioners of Labour) Visakhapatnam, Eluru, Guntur, Kurnool and 4) Hyderabad only are having the P.D. Accounts. Hence in view of the instructions issued in the reference 1st cited, after the orders are passed by the Commissioners for Workmen Compensation (Asst. Commissioners of Labour and the Deputy Commissioners of Labour) the Opposite Parties may be directed to deposit the compensation amount by the way of Demand Draft in favour of "Commissioner of Joint Commissioner of Workmen's Compensation & concerned" and submit the Demand Draft iln the respective offices of the Assistant Commissioner of Labour/ Deputy Commissioner of Labour, who passed the orders, so as to keep track of the otherwise initiate action for recovery, The Asst. Commissioner of Form 'C' of Labour / Deputy Commissioner of Labour should issue the Workmen's Compensation (Andhra Pradesh) Rules 1953.
- 5) As soon as the Demand Draft is deposited, the original case file shall be retained at the O/o the Assistant Commissioner of Labour/Deputy Commissioner of Labour and a Xerox copy of the order and the Demand Draft should be sent to the Joint Commissioners of Labour office immediately for crediting in the P.D. Account
- 6) As soon as the compensation amount is deposited, simultaneously action should be taken for conducting dependants enquiry through the Officers as per the Proformas enclosed (Annex. 3). At the time of dependants enquiry, the dependants, who are entitled for compensation may be asked to open a Saving Bank Account in State Bank of India or Andhra Bank and if there is no branch of these banks in any other nationalized banks. Soon after completion of the dependants enquiry and making such other personal enquiry. If by the Commissioner for Workmen Compensation, distribution order shall be issued by the Asst. Commissioner of Labour /Deputy Commissioner of Labour as per profarma enclosed (Annex-4), duly keeping in mind the orders of the Hon'ble Supreme Court of India(Susamma Thomas Vs Kerala Road Transport Corporation (1) (1994 (1) ALT -1 SC)) and Hon'ble High Court of Andhra Pradesh (Orders dt 21-8-1996 in CMPs 11939/96, 11940/96 and 11942/96 (Annex-5) as well as operational convenience of the parties and transparency in the dealings.
- 7) As the Joint Commissioner of Labour, Warangal and Rangareddy do not have PD Accounts, the Government have been requested to permit opening of PD Accounts in their names. Till such time, the amounts pertaining to these two Zones shall be deposited in the PD Account of

- 8) Joint Commissioner's Office is routing the compensation amount through the PD Account and to ensure accrual of interest on the compensation amount, it is required to deposit the amount in State Bank of India, Andhra Bank and other public sector banks.
- 9) Any amount awarded by the Commissioner for Workmen Compensation shall be credited directly to the bank account of the dependents to avoid delay and to ensure that the amount reaches the beneficiaries without loss of time. Details of bank account number, branch etc shall be obtained at the time of dependents enquiry and incorporated in the apportionment order.
- Ompensation shall apportion the amounts to the dependents of the deceased and handover FD certificates to the applicants both in the case of minors as well as majors and retain Xerox copies for information. In the case of minors, the FD certificates may be handed over to the concerned guardians. In both cases, the Commissioners for Workmen Compensation shall stipulate a condition that the concerned bank authorities do not allow premature liquidation during the period of maturity. The Commissioners for Workmen Compensation shall ensure that the condition of the Commissioner for Workmen Compensation is strictly and stringently followed by the concerned Bank Authorities. In the case of Majors also, the same procedure be followed. All payments including periodical interest to the concerned employees or dependents of the deceased employees shall be by ONLINE remittance in order to avoid delay in payments.
- for disposal of cases relating to compensation is three months from the date of reference and intimation of the decision in respect thereof. Therefore, the Commissioners for Employees Compensation are instructed to dispose of the cases under Employees Compensation Act, 1923 promptly by avoiding protracted trial.
- 12) All the Commissioners for Workmen Compensation are directed to communicate the orders passed by them under Employee's Compensation Act to the parties by Regd. Post only.
- UNCLAIMD ANOUNTS: For unclaimed amounts of employees injured /dependants, Publication of advertisement in the vernacular papers may be issued without further loss of time. If the beneficiaries do not turn up within a month, the unclaimed amount shall be sent to the Welfare Commissioner, AP Labour Welfare Board, Hyd along with a list of workers/beneficiaries of each case under copy to the Commissioner of Labour, AP, Hyderabad. If any claimant turns up subsequently, the Joint Commissioner of Labour shall identify him and send the application to the Welfare Commissioner, AP Labour Welfare Board, Hyd and get the refund of amount and disbursed.

Receiveme All the Joint Commissioners of Labour are requested to reconcile their balances with those of treasury and Bank and issue a certificate of acceptance of balances to the treasuries within a fortnight ending each quarter

15) State Audit is taking up audit of accounts of all Joint Commissioners of Labour in the State and Joint Commissioners of Labour are requested to ensure that the above guidelines are scrupulously followed by them and all other commissioners for employees compensation.

Compensation amount in FDs matured shall be disbursed immediately and a list of all such cases i.e., amounts disbursed and pending, along with remarks shall be furnished to the Commissioner of Labour within 30 days.

Sd/- Y. Surya Prasad, I/c Commissioner of Labour

All the Joint Commissioners of Labour, Deputy Commissioners of Labour, & Asst. Commissioner s of Labour in the State.

Copy to all Joint Commissioners of Labour, Deputy Commissioners of Labour, & Asst. Commissioner's of Labour in the Head Office.

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Asst. Commissioner of Labour-Welfare