



KSEB LIMITED

(Incorporated under the Indian Companies Act, 1956)

CIN:U40100KL2011SGC027424

Office of the Chief Personnel Officer, Personnel Department,

Vydyuthi Bhavanam, Pattom, Thiruvananthapuram, Kerala-695004

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No.PSVIII/WCC/CW/Insurance/2020

Dated: 06.11.2020

CIRCULAR

Sub:- Employees' Compensation claim suits filed against Kerala State Electricity Board Limited on behalf of Petty Contract Employees engaged on contract work with estimate cost exceeding the maximum ceiling limit – Insurance coverage- Strict compliance-Instructions issued- reg.

- Ref:-**
1. B.O. No. 1394/95 PS (SD)/2815/93 dated 10-07-1995.
 2. B.O. No. 486/97 PS (SD)/2815/93 dated 21.02.1997.
 3. B.O. (FM) No.1446/2011 (PSI/1826/2011) dated 03.06.2011.
 4. Circular No. PSVIII/WCC/CW/Ins.Coverage/2011 dated 06.07.2011.
 5. Note No. PSVIII/WCC/CW/Insurance/2017 dated 13.01.2017.
 6. Circular No. PSVIII/WCC/CW/Insurance/2017 dated 10.02.2017.
 7. B.O. (DB) No.1862/2018 (PSI/4406/2016) dated 17.10.2018.
 8. Note no. PSVIII/WCC/CW/Insurance/2020 dated 20.10.2020.

The petty contractors and their employees are being engaged in various Civil, Generation, Transmission and Distribution Offices of KSEB Limited for carrying out casual contract works of temporary nature.

As per the Board Order cited 7th above, the maximum ceiling limit fixed for the award of petty contract works has been enhanced from ₹ 3 lakh to ₹5 lakh. Board's liability for payment of compensation is limited only in the case of those 'petty contract works' which do not exceed the above limit and the liability of payment of compensation in respect of accidents occurring during the conduct of those works with estimate cost above ₹5 lakh are with the contractors who engage the contract employees.

In the above circumstances, the following further instructions are issued for strict compliance.

1. All field officers are directed to engage and authorize contract employees for undertaking works on behalf of KSEB Limited based on tear off slip/contract of agreement/work order/employment slip/provisional work order.
2. Adequate security amount shall be levied from the contractors in respect of those works with estimate cost above ₹5 lakh to discharge the liability under the Employees' Compensation Act, 1923. The contractor shall execute a valid bond in adequate stamp paper legally agreeing the effect that he shall be liable to deposit the eligible amount towards compensation, funeral expense, interest and other liabilities if any payable as per the provisions of the Employees Compensation Act 1923 to the contract workers working under him on behalf of any fatal/non fatal accidents if any occurred while carrying out the subject work.
3. The contractor undertaking work above ₹5 lakh shall be directed to obtain an insurance coverage in respect of the employees engaged by him from a Nationalized / at par Insurance Company by paying adequate premium to cover the compensation payable in case of fatal and non fatal accident if any occurred to the employees.
4. The insurance coverage obtained as per (3) above shall be sufficient enough to cover all the expenses payable on behalf of the fatal/nonfatal accident victims viz hospital expenses, Half Monthly Compensation, funeral expenses, compensation (death and disablement-total and partial) interest @ 12% payable from the date of accident to the date of deposit of compensation and other financial benefits payable as per the provisions of the Employees' Compensation Act, 1923.

5. The details regarding the insurance cover obtained, number of employees covered in the Scheme, period of validity, terms and conditions, exceptions, if any, shall be included as a compulsory item in the contract of agreement/ work order. The policy document in original shall be attached with the work order and retained in safe custody at the office concerned.
6. The work order shall not be issued and the contractor shall not be authorized to undertake or commence the work unless and until the conditions stipulated under Clause (2),(3),(4) and (5) of this Circular are complied with.
7. In case of occurrence of any accident to the employee engaged by the petty contractor, the work bill of the contractor shall not be settled unless and until eligible amount of compensation and other financial benefit are deposited before the Commissioner for Employees' Compensation as per the provisions of the Employees' Compensation Act, 1923.
8. Any liability on the difference in compensation amount and interest to be deposited before the Commissioner for Employees' Compensation or to the victim beyond the insurance claim amount sanctioned by the Insurance Company rests with the contractor who has engaged the victim.

All the field officers are once again directed to strictly comply with the instructions issued in this Circular scrupulously. Stringent disciplinary action will be initiated against the field officers concerned in case of failure if any occurred in following the above instructions. Financial loss if any sustained by KSEB Limited in this regard due to non compliance of the above shall be treated as the personal liability of the officer concerned.

Sd/-
Secretary (Administration)

To

The Chief Engineer (HRM), KSEB Limited.
 All Chief Engineers/All Deputy Chief Engineers/All Executive Engineers
 All Regional Audit Officers/Deputy Chief Engineer (IT)
 The Chief Public Relations Officer/Deputy Secretary (Administration)
 The Financial Adviser/Chief Internal Auditor/ Chief Vigilance Officer/
 The Legal Adviser & Disciplinary Enquiry Officer
 The TA to Chairman & Managing Director, Kerala State Electricity Board Limited
 The TA to Director (Distribution, IT & HRM)
 The TA to Director (Transmission & System Operation)
 The TA to Director (Generation- Civil)
 The TA to Director (Generation-Electrical & HRM)
 The TA to Director (Corporate Planning & Safety)
 The PA to Director (Finance)/CA to Secretary (Administration)
 The Fair Copy Superintendent/ Librarian/Stock File

Approved for issue

 Senior Superintendent

