

Introduction to Workmen Compensation Insurance

What is Workmen Compensation Insurance?

- Also known as **Employee Compensation Insurance**.
- Protects employers from legal liability for **injuries / accidents / diseases** sustained by employees during the course of employment.
- Mandated under various legal frameworks:
 - **Workmen Compensation Act, 1923**
 - **Indian Fatal Accident Act, 1855**
 - **Common Law**

Why is WC Insurance Important?

- Ensures **financial security** for employees and their families.
- **Reduces employers' financial burden** in case of unforeseen incidents.
- Promotes a **safe working environment** by emphasizing legal compliance.

Coverage Highlights

The policy covers the employer's statutory liability for incidents arising during the course of employment, including:

- Accidents
- Death
- Permanent Total Disablement
- Permanent Partial Disablement
- Temporary Disablement
- Legal Costs and Expenses incurred with the company's consent

Included Add-ons:

- Sub-contractor Coverage.
- Medical Extensions.
- Occupational Disease Cover.
- Terrorism Risk.

What is Not Covered? (Exclusions)

- Injuries that do not result in **fatality** or **partial disablement lasting more than 3 days**.
- Liability for **employees of contractors** working for the insured (unless specifically declared and covered).
- Any **liability assumed by the insured** under an agreement.
- Diseases listed in **Part 'C' of Schedule III** of the Workmen's Compensation Act, 1923.
- Any **statutory changes** introduced after the policy commencement.

Policy Types & Duration

Types of Policies:

- **Named:** Specific employees covered
- **Unnamed:** Coverage for all employees

Policy Period:

- **Minimum:** 1 month
- **Maximum:** 12 months

Claim Process

- **Notify Relevant Authorities:** If the accident occurs in a manufacturing plant, inform the Factory Inspector immediately.
- **Inform the Insurance Company:** Submit a written notice to the insurance provider as soon as possible, detailing the death or disablement of the employee.
- **Investigation:** The insurance company will appoint a trained investigator to gather relevant data and quantify reasonable and just compensation.
- **Provide Necessary Documentation:** Submit all required information and documentary evidence requested by the insurance company to support the claim.
- **Handle Notices from the W.C. Commissioner:** If you receive any notices from the Workmen Compensation Commissioner, forward them promptly to the insurance company.
- **Submit Claim Form and Documents:** Ensure that the completed claim form, along with all

supporting documents, is submitted to the insurance company without delay.

Following these steps helps expedite the claim resolution process and ensures compliance with the policy requirements.

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Claim Documentation

Temporary Disablement Claim:

- Claim Form dully filled and signed
- Medical Bills
- Medical Certificate regarding Cause & Duration of Disablement.

Permanent Disablement Claim:

- Claim Form dully filled and signed
- Medical Bills
- Medical Certificate regarding Disablement.
- Memorandum of Agreement as per W.C. Act between Insured and the injured workman.

Fatal/ Death Claim:

- Death certificate
- Copy of post Mortem Report
- F.I.R / Final Investigation report
- Form A of W.C Act duly completed by the Insured
- Statement of Witness, if any

Key Takeaways

- WC Insurance is a legal and moral necessity for employers.
- Protects both employers and employees in times of crisis.
- Choose a trusted insurer for comprehensive coverage and smooth claim processes.

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