

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

STARRED QUESTION NO:212
ANSWERED ON:08.12.2014
COMPENSATION TO WORKERS
Sampath Shri Anirudhan

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether a number of workers have died while working in factories/industrial units of several companies and if so, the details thereof including the number of workers died during the last three years and the current year;
- (b) whether the Government is aware that a number of companies are not paying compensation to the dependents of those workers killed and if so, the details thereof and the reaction of the Government thereto;
- (c) whether any mechanism exists to monitor payment of compensation to the next of kin of deceased workers in the event of fatal accident and if so, the details thereof; and
- (d) the action taken by the Government against erring companies/ factories and payment of compensation to the bereaved families?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 212 FOR ANSWER ON 08.12.2014 REGARDING COMPENSATION TO WORKERS ASKED BY DR. A. SAMPATH.

(a): As per available data collected by Directorate General Factory Advice Service and Labour Institutes (DGFASLI) through correspondence with Chief Inspector of Factories (CIFs) of State Governments/ Union Territories, fatal injuries during last three years in factories registered under the Factories Act, 1948 are as under:

Year	2011	2012	2013
Number of fatal accidents	1433	1383	1417

(b) to (d): The Employees' Compensation Act, 1923 provides for payment of compensation to employees and their dependents in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The Act extends to the whole of India and implemented by the concerned State Governments. Payment of compensation under the provisions of Act is Employers' liability. As per Section 4-A (1) of the Employees' Compensation Act, 1923, the compensation shall be paid as soon as it falls due. Section 4-A (2) states that in case where the employer does not accept the liability for compensation to the extent claimed, he shall be bound to make provisional payment based on the extent of liability which he accepts, and such payment shall be deposited with Commissioner or made to the employee, as the case may be, without prejudice to the right of the employee to make any further claim. Further, Section 4-A(3) states that where any employer is in default in paying the compensation due under this Act within one month from the date it fell due, the Commissioner shall-

(i) Direct that the employer shall, in addition to the amount of arrears, pay simple interest thereon at the rate of twelve percent per annum or at such higher rate not exceeding the maximum of the lending rates of any scheduled bank as may be specified by the Central Government, by notification in the Official Gazette, on the amount due; and

(ii) If, in his opinion, there is no justification for the delay, direct that the employer shall, in addition to the amount of the arrears and interest thereon, pay a further sum not exceeding fifty percent of such amount by way of penalty.

Provided that an order for the payment of penalty shall not be passed under clause

(ii) above without giving a reasonable opportunity to the employer to show cause why it should not be passed.

The details of compensation paid to families of the victims are not centrally maintained.