Polity & Governance · GS - II

Examine the institutional and governance challenges in ensuring timely compensation and rehabilitation for victims of major industrial accidents in India.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 24/11/2026	GS - II	Polity & Governance

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Industrial safety, employer liability, statutory compensation, ex gratia assistance, labour inspection, accountability, rehabilitation

Model Answer

Introduction

Major industrial accidents expose workers to risks arising from inadequate safety systems, regulatory failures and weak enforcement. The Sigachi Industries blast in Telangana highlights concerns regarding compensation, accountability and rehabilitation of affected families.

Key Governance Challenges

1. **Delayed Compensation:** Disputes between employers, governments and affected families can delay financial assistance, worsening the vulnerability of dependants.

2. **Fragmented Responsibility:** Employers bear statutory liabilities, while governments may announce additional relief. Lack of coordination can create uncertainty over payment responsibilities.

3. **Weak Regulatory Enforcement:** Inadequate inspections, poor compliance monitoring and delayed corrective action can allow industrial hazards to persist.

4. **Inadequate Rehabilitation:** One-time compensation may not address long-term needs such as healthcare, education, livelihood security and psychological support.

5. **Transparency Deficits:** Unclear compensation calculations, including the adjustment of statutory dues, can undermine public trust and create disputes.

Measures Required

1. **Enforce Legal Liability:** Ensure timely implementation of the Employees' Compensation Act, 1923 and other applicable labour and industrial safety laws.

2. **Clear Compensation Framework:** Distinguish statutory entitlements, insurance payments and additional ex gratia assistance announced by governments.

3. **Strengthen Oversight:** Improve risk-based inspections, safety audits and accountability of factory management and regulatory authorities.

4. **Long-term Rehabilitation:** Provide livelihood support, educational assistance and medical care to affected families.

5. **Transparent Monitoring:** Establish time-bound grievance redressal and publicly accessible compensation-disbursement records.

Conclusion

Industrial safety requires preventive regulation as well as post-disaster accountability. A transparent, enforceable and rehabilitation-oriented compensation system is essential to protect workers' dignity and strengthen trust in labour governance.

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