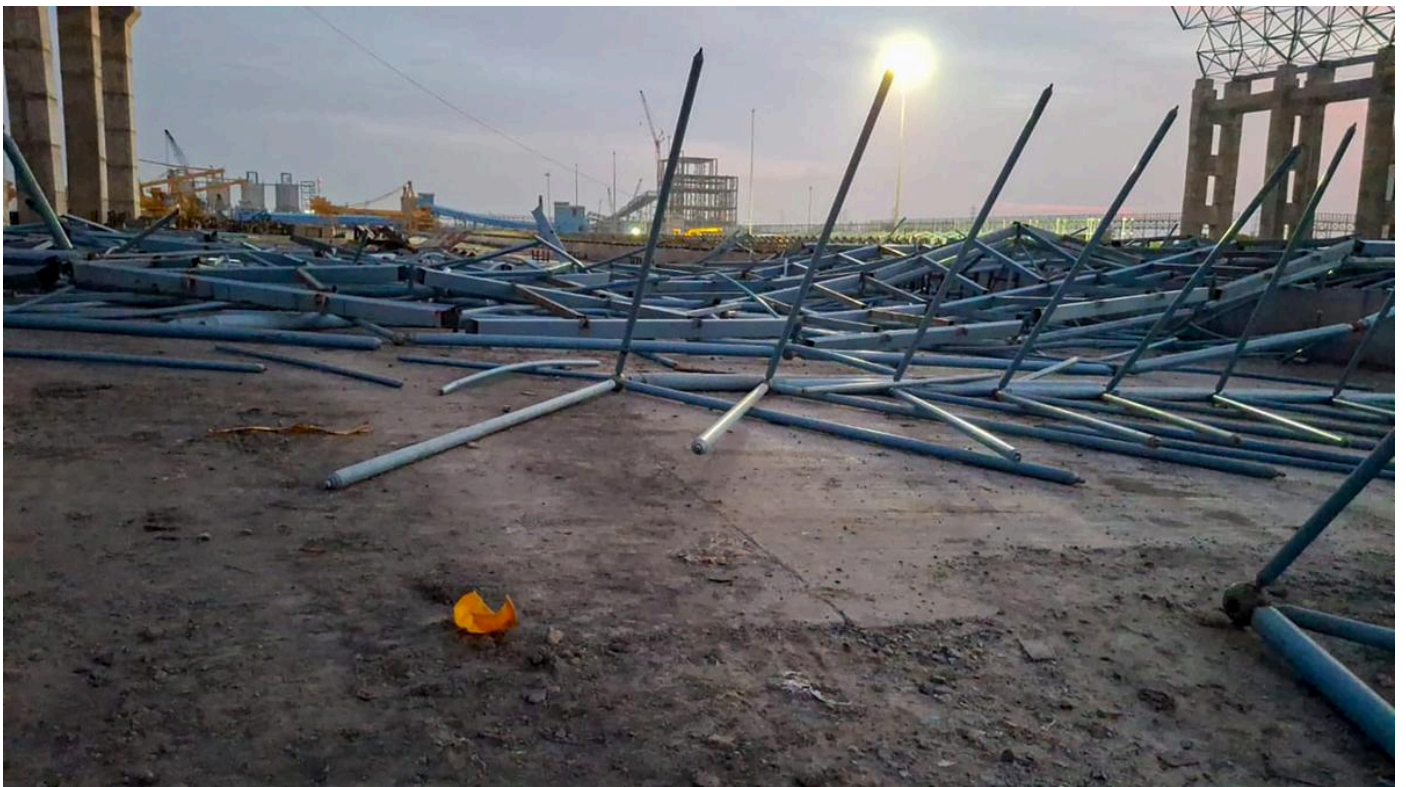


# Are workers' rights being eroded? | Explained

What happened at the Sigachi Industries chemical factory in Telangana when a chemical reactor burst? What has the International Labour Organization (ILO) said about industrial accidents? What laws are in place in India that protect workers' rights?

**Published** – October 09, 2025 08:30 am IST

GAUTAM MODY



The spot where scaffolding came crashing down at the Ennore power plant near Chennai on September 30. | Photo Credit: SPECIAL ARRANGEMENT

**The story so far:** On June 30, at the Sigachi Industries chemical factory in Telangana, 40 workers were killed when a chemical reactor burst. Countless others were injured. Barely a day later, on July 1, eight workers were killed in an explosion at Gokulesh Fireworks in Sivakasi, Tamil Nadu. And yet again on September 30, nine workers died when a 10-metre-high coal-handling plant collapsed at Chennai's Ennore Thermal Power Station. The British Safety Council estimates that one in four fatal workplace accidents worldwide

occur in India. This is a conservative figure, given the widespread underreporting of workplace injuries and deaths, especially among contract and informal workers whose employment is neither registered nor protected by law.

## **Why do workplace accidents occur?**

Accidents occur not because they are inevitable but because employers fail to prevent them. Prevention means eliminating hazards through proper workplace design, equipment maintenance, safety systems, and by enforcing protective procedures and training all workers and supervisors exposed to risk.

The Telangana explosion is a case in point. The reactor was operating at twice the permissible temperature. No alarms went off, and no safety officer intervened. The machinery was outdated, maintenance was ignored, and repeated worker complaints were dismissed. When the blast occurred, workers jumped factory walls to save themselves. The required on-site ambulance was missing, and the injured were taken to the hospital in a damaged company bus. Even after a week, authorities could not determine how many were “missing” which is clear evidence that unregistered workers were working in a highly hazardous plant with no entry or exit records. The Ennore collapse also followed the same pattern. The coal-handling structure fell likely due to faulty design, poor-quality scaffolding, or inadequate anchoring.

The International Labour Organization (ILO) has confirmed that industrial accidents are rarely random. They occur because managements cut corners, underinvesting in safety to reduce costs and maximise profit. Even when employers blame “human error,” the real causes lie in employer practices: long working hours, inadequate rest, excessive work pressure, or wages so low that workers are forced to take double shifts.

## **What are the laws in place in India?**

Workers have fought for safer workplaces since the dawn of the industrial age. The first Factories Act in India was enacted in 1881. After Independence, the Factories Act, 1948 became the cornerstone of labour regulation. It governed everything from factory licensing and machinery maintenance to working hours, rest breaks, canteens, and crèches based on the principle that decent working conditions and safety go hand in hand. The Act also saw amendments in 1976 and 1987, the latter prompted by the Bhopal Gas Tragedy. These laws were enforced through licensing and inspection, and a combination of scheduled and surprise checks. Though imperfect, this allowed workers, especially unionised ones, to file complaints and compel employers to act. But the Bhopal

tragedy exposed its limits — inspections could be bribed away, records falsified, and violations ignored.

India's mechanisms to compensate injured or deceased workers — the Workmen's Compensation Act, 1923 and Employees' State Insurance Act, 1948 — recognise compensation for loss of earnings, including lifetime income. However, in practice, such compensation remains meagre.

More importantly, these laws do not hold employers criminally accountable. When such accidents draw media attention, governments announce ex gratia payments from public funds. This turns compensation into charity and absolves employers of responsibility.

## What is the situation now?

Since the 1990s, labour protections have been systematically dismantled. Employers demand “flexibility” including freedom to hire, fire, and extract work without oversight. Governments have obliged by weakening inspections, diluting laws, and branding safety regulations as “obstacles to business.” For example, in 2015, the Maharashtra government allowed employers to “self-certify” compliance with labour laws. And the BJP government's ‘Ease of Doing Business’ campaign has pushed other States to follow.

The Occupational Safety, Health and Working Conditions (OSHWC) Code, 2020, which seeks to replace the Factories Act, epitomises this shift. Though currently in abeyance, once enforced it will move health and safety from being a statutory right to executive discretion. What was once a worker's right will become government generosity. At the same time, States have increased their working hours, a practice started during the COVID pandemic, which is a major blow to safety. In 2023, Karnataka made this permanent, increasing daily limits and reducing rest periods.

It is well established that safe workplaces enhance productivity and profits. Yet India's dominant business culture is not about sustainable profits but extracting the maximum from labour with minimal responsibility. Until the state restores workplace safety as a right, reinstates inspection as enforcement, and holds employers criminally liable for preventable deaths, workers' lives will always hang in the balance.

*Gautam Mody is General Secretary of the New Trade Union Initiative.*