

**Government Of Tamil Nadu**

**ABSTRACT**

Child Labour - Directions of the Supreme Court of India, New Delhi in W.P.No.465/86 - Formation of Group Personal Accident Insurance Scheme to all workers in Match and Fire Works Factories in Tamil Nadu - Orders issued.

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**LABOUR AND EMPLOYMENT DEPARTMENT.**

**G.O.Ms.No.139**  
**Dated the 2nd May, 1991.**

Read again: -

1) G.O.Ms.No.1002 (Labour) dated 30-5-1986.

Read also: -

2) From the Supreme Court of India, New Delhi, letter No.D.157 / 86 / FIIC, dated 9-11-90.

3) From the National Insurance Company Ltd., letter No.500500 / Misc / JCM / 90, dated 9-12-90.

4) From the Life Insurance Corporation Ltd., Letter No.P&GS / DM, dated 19-12-90.

5) From the New India Assurance Company Ltd., Letter No.MRO / MATO / KMN / 90, dated 31-12-90.

6) From the National Insurance Company, letter No.MRO / AKM / BSP / 91, dated 28-2-91.

7) From the Chief Inspector of Factories, letter No.F4/53966/90, dated 22-4-91.

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**ORDER;-**

In the G.O. first read above, the Government have formulated a Group Personal Accident Insurance Scheme for the workers in the Match and Fire works industries for a sum of Rs.16,000/-. The scheme is implemented in this State from 1-7-86 onwards with the assistance of National Insurance Company Limited, Madras.

2. The Supreme Court of India while disposing of the Writ Petition No.465/86 impleading the Government of Tamil Nadu on the action of the managements of match factories in allowing the innocent children to work in their tender age, has given some directions to the Government of Tamil Nadu. One of the directions of the

Supreme Court of India is that every employee working in the match factories is insured for a sum of Rs. 50,000/-.

3) The Chief Inspector of Factories after discussions with the L.I.C. of India Limited New India Assurance Company Limited and the National Insurance Company Limited Madras has sent a proposal to the Government to formulate a Group Personal Accident Insurance Scheme to the workers in the match industries. He has stated that the National Insurance Company Limited, has quoted a sum of Rs.6/- per worker per annum or an insured sum of Rs.50,000/-. He has recommended that the offer of National Insurance Company Limited may be accepted. The Chief Inspector of Factories has also stated that the All India Chamber of Match Industries, Sivakasi has agreed to cover all the workers in the match and fire works under the Insurance Scheme for a sum of Rs.50,000/-.

4) The Government, after careful examination approve the proposal of the Chief Inspector of Factories, Madras to implement the "Group Personal Accident Insurance Scheme for the workers in the Match and Fire Works in Tamil Nadu" as annexed to this order through the National Insurance Company Limited, 190, Anna Salai, Madras-600006. The Scheme will come into force with effect from 1-7-1991.

5) The Group Personal Accident Insurance Scheme for Match and Fire Works formulated in the G.O. first read above need not be renewed after 1-7-1991. The Chief Inspector of Factories is requested to take necessary action to implement the Scheme.

6) The Chief Inspector of Factories is requested to send an Annual report to the Government on the settlement of claims by the National Insurance Company Limited, Madras under the Group Personal Accident Insurance Scheme for Match and Fire Works in Tamil Nadu.

**(BY ORDER OF THE GOVERNOR)**

**M. VENKATACHALAM,  
SECRETARY TO GOVERNMENT.**

**GROUP PERSONAL ACCIDENT INSURANCE SCHEME FOR THE  
WORKERS IN THE MATCH AND FIRE WORKS IN TAMIL NADU.**

**INTRODUCTION:-**

Child Labour as a Socio Economic Problems has of late become a sensational subject raised very often in all forums of the Nation engaging the attention of the State and Central Governments. In Tamil Nadu, Child Labour is prevalent in Match and Fire Works.

2. The labour laws prohibit employment of children in the Factories. As per the provisions of Section 67 of the Factories Act, 1948, no child who has not completed his fourteenth year shall be required or allowed to work in a factory. Section 3 of the Child Labour (Prohibition and Regulation) Act, 1986 prohibits employment of children who have not completed their fourteenth year of age in certain occupations

and processes set forth in Part-A and Part-B of the Schedule appended to the Act. But the children in India have to work to supplement their family income and preventing them from working would mean considerable deprivation of income to their families. For ensuring implementation of welfare measures for the children employed in Match and Fire works, the Government of Tamil Nadu is taking adequate steps for the enforcement of the provisions of the Factories Act, 1948 and the Child Labour (Prohibition and Regulation) Act, 1986. The Supreme Court of India in its Judgement dated 31-10-1990 while disposing the Writ Petition (C) No.465/86 has opined that compulsory insurance scheme should be provided for both adult and children employees taking into consideration the hazardous nature of employment. The Supreme Court of India has also directed in the above judgement that the State of Tamil Nadu should ensure that every employee working in the Match and Fire Works is insured for a sum of Rs.50,000/- and the Insurance Corporation, if contacted should come forward with a viable Group Insurance Scheme to cover the employees in the Match and Fireworks of Sivakasi area, and the premium, for the group insurance policy should be the liability of the employer to meet as a condition of service. Accordingly it has been decided to introduce the Group Personal Accident Insurance Scheme for the workers in the Match and Fire works in all areas in the State of Tamil Nadu.

## **2. What is the Scheme?**

The Scheme is called the Group Personal Accident Insurance Scheme for the Workers in the Match and Fireworks in Tamil Nadu. The Scheme is designed to give relief against death or loss of limbs or loss of sight of the insured persons. Accident insurance will be given to the insured persons on 24-Hour basis and will not be confined to accident arising out or in the course of actual occupation alone.

This Scheme will be implemented with the assistance of the National Insurance Company Limited (A subsidiary of the General Insurance Corporation of India).

## **3. COVERAGE :-**

The scheme will cover the workers in the match and Fireworks in the State of Tamil Nadu in the age group of 10-65 years. The Scheme will be introduced in all places in the State of Tamil Nadu where there are Match and Fire Works.

## **4. DEFINITION;-**

Accident means any bodily injury or death or loss of limbs or loss of sight resulting solely and directly from accident caused by external violent and visible means but does not include any intentional self injury, suicide, attempted suicide, injury occurring while under the influence of intoxicating liquor or drugs or caused by insanity or resulting from the insured persons committing any breach of the law with criminal intent.

## **5. enrolment procedure;-**

All workers in the age group of 10-65 years have to give their names to the employer under whom they are working in Form No.I prescribed under the Scheme in triplicate

on or before 30th June 1991. The employers should collect the names of all such workers and send them to the Deputy Chief Inspector of Factories of the area retaining one copy of the Enrolment Forms with him and giving one copy of the same to the workers. The coverage for the workers who join the scheme on or before 30-06-91 will commence from 1st July 1991.

The Deputy Chief Inspector of Factories concerned should collect the names of all the workers in the age group 10-65 years sent by the employers in Match and Fire works and register the names in a ledger in Form-IV. The premium will be paid as per the total number of workers in the ledger kept by the Deputy Chief Inspector of Factories concerned. The premium will be calculated at the rate of Rs.6/- per member per annum. At the end of the policy period, the total number of workers as per the ledger on the date of expiry of the policy will be declared to the Insurance Company. The provisional premium will be subject to adjustment on the basis of the total number of workers as per the ledger on the date of expiry of the policy and additional premium or a refund of the premium as the case may be, will be payable or refundable by the National Insurance Company Limited, based on the 50% of the difference in annual premium calculated on the total number of workers (a) at the outset and (b) at the expiry of the policy.

#### **6. PREMIUM PAYABLE UNDER THE SCHEME;--**

The annual premium per member is Rs.6s/- (Rupees six only). The employer shall pay the premium in respect of all workers in the age group 10-65 years employed by him in his factory and it shall not be recovered from the workers under any circumstances.

The employer should send the premium amount to the Deputy Chief Inspector of Factories of the area by a demand draft. The Deputy Chief of Factories should open a Personal Deposit Account in any one of the Nationalised Banks. From out of this Fund, the Deputy Chief Inspector of Factories should pay the premium to the National Insurance Company Limited. The Deputy Chief Inspector of Factories should renew the policy every year on the due date as this is a coverage under one year Renewable Term Assurance. New members can be added to the Scheme every year on renewal date. So also deletions.

#### **7. THE RISK COVERED BY THE SCHEME AND THE AMOUNT OF COMPENSATION WILL BE AS FOLLOWS;--**

- |  |             |
|--|-------------|
| A. Death ... ..  | Rs.50,000/- |
| B. Loss of actual physical separation of or total and irrecoverable loss of use of (a) both hands (or) | Rs.50,000/- |
| (b) both feet (or)   |             |
| (c) one hand, one foot (or)  |             |
| (d) total and irrecoverable loss of sight in both eyes.  |             |

C. Loss by actual physical separation of or total and irrecoverable loss of use of (a) one hand (or)

(b) one foot (or)

Rs.25,000/-

(c) total and irrecoverable loss of sight of one eye.

D. Permanent total disablement from injuries other than those mentioned above.

Rs.50,000/-

E. Permanent partial disablement

As per Annexure

## **8. CLAIMS;--**

i) Immediately upon the happening of any accident while in pursuit of his/her occupation resulting in death/loss of limbs/loss of sight, the employer should send a report to the Deputy Chief Inspector of Factories concerned and to the Police in Form No.III on the same day of the accident. The Deputy Chief Inspector of Factories should investigate the accident occurred in the factory.

ii) The claimant under the Scheme shall be the worker himself/herself in case of injury/loss of limbs/loss of sight. In the event of death of a worker within the factory his/her nominee shall apply to the Deputy Chief Inspector of Factories concerned in Form, No.II in duplicate.

iii) The Deputy Chief Inspector of Factories shall forward the claim with his certificate/death certificate to the Insurance Company for payment of the claim amount.

iv) In case of death due to accident to the worker under the Scheme outside the Factory, death certificate and postmortem certificate are necessary. If there is delay for more than 30 days in getting the postmortem certificate from the Government Doctor/from the Doctor in the factory, the certificate given by the Tahsildar will be accepted.

v) In case of loss of limbs/loss of eye-sight/partial injuries due to accident, inside or outside the factory premises, the claimant should produce the medical certificate.

vi) The Deputy Chief Inspector of Factories, concerned after verification of the claim petition shall forward it to the National Insurance Company Limited, with his recommendations specifying the compensation to be sanctioned to the claimant/nominee of the deceased worker by the National Insurance Company Limited. The recommendation of the Deputy Chief Inspector of Factories accompanied by death certificate/postmortem certificate/certificate issued by Deputy Chief Inspector of Factories/Tahsildar/Medical certificate should be sent to the National Insurance Company Limited.

vii) The National Insurance Company Limited, on receipt of the claim petition should send a cheque to the Deputy Chief Inspector of Factories concerned. The Deputy Chief of Inspector of Factories will encash the cheque and pay the compensation

amount to the worker/in case of injury/loss of limbs/loss of eye sight. In case of death, the compensation shall be paid to the nominee of the worker.

viii) The Deputy Chief Inspector of Factories concerned will be the policy holder for his area under the Group Personal Accident Insurance Scheme for the workers in the Match and Fire Works situated in his area.

## A N N E X U R E

Nature of Disablement.	Compensation in Percentage (to be applied on Rs.50,000/-).
1. Loss of toes    -- All	20%
-- Great both Phalanges	5%
-- Great - One Phalanx	2%
-- Other than great, if more than one toe lost - each	1%
2. Loss of Hearing    -- both ears.	50%
3. Loss of Hearing    -- one ear	15%
4. Loss of 4 fingers and thumb or one hand	40%
5. Loss of 4 fingers.	35%
6. Loss of thumb - both phalanges	25%
7. Loss of index finger -- Three Phalanges	10%
-- Two phalanges	8%
-- One Phalanx	4%
8. Loss of Middle finger -- Three Phalanges	6%
-- Two Phalanges	4%
-- One Phalanx	2%
9. Loss of Ring finger -- Three Phalanges	5%
-- Two Phalanges	4%
-- One Phalanx	2%
10. Loss of Little finger -- Three Phalanges	4%

-- Two Phalanges	3%
-- One Phalanx	2%
11. Loss of Metacarpals -- 1st or 2nd (additional)	3%
3rd or 4th or 5th (additional)	2%
12. Any other permanent partial disablement	% as assessed by the Doctor.

## **A N N E X U R E.**

### **GROUP PERSONAL ACCIDENT INSURANCE SCHEME FOR THE WORKMEN IN THE MATCH AND FIRE WORKS.**

#### **ENROLMENT FORM**

#### **FORM - I.**

1. Name of the worker:

Father/Husband's name:

Address:

Date of birth:

(Evidence enclosed)

Age:

2. Name of the factory in which employed:

Address:

3. I hereby nominate the following persons to receive the benefits under the Group Personal Accident Insurance Scheme in the event of my death.

4. Name of the nominee:

Address:

Village:

Taluk:

District:

Relationship with the member:

Place:

Date:

SIGNATURE.

**GROUP PERSONAL ACCIDENT INSURANCE SCHEME FOR THE  
WORKERS IN THE MATCH AND FIRE WORKS.**

**CLAIM FORM**

FORM -- II

(Policy No.... )

To

The National Insurance Company Limited,  
Southern Regional Office,  
P.B.No.5639,  
190, Anna Salai,  
Madras - 600006.

1. Name of the Insured person:

Address:

Age:

Occupation:

2. Name of the Factory:

Place:

Taluk:

District::

3. Name of the Claimant:

4. Relationship with the member:

5..Whether the member himself/or his/her nominee:

6. Date and time of Accident:

7. Place of Accident:

- (a) Inside the factory:
- (b) Outside the factory:

8. Whether the accident resulted in death/loss of limbs/loss of eye sight/partial injury.

9. Date and time of death:  
(with documents specified in the Scheme).

Place:

Date:

SIGNATURE.

**GROUP PERSONAL ACCIDENT INSURANCE SCHEME FOR THE  
WORKERS IN MATCH AND FIRE WORKS.**

**ACCIDENT INTIMATION FORM**

**FORM -- III**

From

The Deputy Chief Inspector of Factories/

... ..

... ..

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To

The Inspector/Sub-Inspector of Police,

... ..

... ..

Sir,

Thiru/Tmt/Selvi/Selvan.... .... .... ....

Son of / wife of / daughter of ... ..  
...

employed in the Match Factory .... ..  
... ..

at                      has suffered--

                            loss of limbs

                            Loss of eye-sight

                            Total disablement

                            Partial injury

                            Death due to accident.

while engaged in his / her occupation / outside the factory premises.

(Signature of the Employer)

Address:

Date:

(Signature of the worker / Nominee)

**GROUP PERSONAL ACCIDENT INSURANCE SCHEME FOR THE WORKS  
IN THE MATCH AND FIRE WORKS.**

**FORM - IV**

**LEDGER**

Subscription Paid

1991	1992	1993
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Name of the Factory :

Address:

Name of the Worker:

Name of the Nominee:

**RECOMMENDATION OF THE DEPUTY CHIEF INSPECTOR OF  
FACTORIES.**

I recommend that a sum of Rs. ... ..

(Rupees        ...        ...        ...        ...        ...        ...        ...  
...        ...)

may be granted as compensation to Thiru /Thirumathi / Selvi ...        ...        ...

who met with an accident while engaged in his /her occupation / outside the factory from

the Group Personal Accident Insurance Scheme for the workers in Match and Fire works.

Yours sincerely,

**DEPUTY CHIEF INSPECTOR OF FACTORIES**