



सत्यमेव जयते

# The Gujarat Government Gazette

## EXTRAORDINARY

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#### PART - V

#### Bills introduced in the Gujarat Legislative Assembly.

(To be translated into Gujarati and the translation to be published in the *Gujarat Government Gazette*. The date of publication to be reported.)

The following Bill is published with the consent of the Speaker given under the proviso for rule 127A of the Gujarat Legislative Assembly Rules:-

#### THE LABOUR LAWS (GUJARAT AMENDMENT) BILL, 2015.

#### GUJARAT BILL NO. 5 OF 2015.

#### A BILL

*further to amend certain labour laws in its application  
to the State of Gujarat.*

It is hereby enacted in the Sixty-sixth Year of the Republic of India as follows:-

1. (1) This Act may be called the Labour Laws (Gujarat Amendment) Act, 2015.

Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

8 of 1923.

2. In the Employee's Compensation Act, 1923, in section 22, to sub-section (1A), the following proviso shall be added, namely:-

Amendment of section 22 of 8 of 1923.

“Provided that if an application by an employee or by dependent or dependents for compensation is not made before the Commissioner within a period of ninety days from the date of the occurrence of the accident, then such application may be filed by an officer authorised by the State Government in this behalf for the purpose of compensation to be paid to such employee or dependent or dependents.”

- Amendment of section 2 of 14 of 1947.** 3. In the Industrial Disputes Act, 1947 (hereinafter referred to as “the Industrial Disputes Act”), in section 2, in clause (n), for the existing proviso to sub-clause (vi), the following proviso shall be substituted, namely:-
- 14 of 1947.
- “Provided that the period so specified shall not, in the first instance, exceed one year but may, by a like notification, be extended from time to time, by any period not exceeding two years, at any one time, if in the opinion of the appropriate Government, public emergency or public interest requires such extension;”.
- Amendment of section 2A of 14 of 1947.** 4. In the Industrial Disputes Act, in section 2A, in sub-section (3), for the words “three years”, the words “one year” shall be substituted.
- Amendment of section 25V of 14 of 1947.** 5. In the Industrial Disputes Act, in section 25V,-
- (1) for sub-section (2), the following sub-section shall be substituted, namely:-
- “ (2) The provisions of this Chapter shall apply to the following, namely:-
- (i) an industrial establishment set up in the Special Economic Zone declared as such by the Government of India;
- (ii) an industrial establishment set up in the Special Investment Region declared as such by the Government of Gujarat;
- (iii) an industrial establishment set up in the National Investment and Manufacturing Zone declared as such by the Government of India;
- (iv) hundred per cent. export oriented industrial establishment.”.
- (2) in the marginal note, after the words “Economic Zone”, the words “and others” shall be added.
- Amendment of section 25ZA of 14 of 1947.** 6. In the Industrial Disputes Act, in section 25ZA,-
- (1) in sub-section (1), in clause (b), for the words “forty-five days”, the words “sixty days” shall be substituted;
- (2) in sub-section (2), for the words “forty-five days”, the words “sixty days” shall be substituted.
- Amendment of section 31 of 14 of 1947.** 7. In the Industrial Disputes Act, in Chapter VI, in section 31, in sub-section (2), for the words “one hundred rupees”, the words “twenty-one thousand rupees” shall be substituted.
- Insertion of new section 31A in 14 of 1947.** 8. In the Industrial Disputes Act, in Chapter VI, after section 31, the following section shall be inserted, namely:-
- Compounding of offences.** “31A. (1) Any offence punishable under section 25Q, 25R, 25U, 26, 27, 28, 29, 30A and sub-sections (1) and (2) of section 31 may, either

before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below:-

TABLE

Sr. No.	Section	Compounding amount			
1	2	3			
1.	25Q	25 days wages last drawn by each workman.			
2.	25R	60 days wages last drawn by each workman.			
3.	25U	(i) By each workman ₹ 150/- per day but not exceeding ₹ 3000/- in aggregate; (ii) By employer ₹ 300/- per day but not exceeding the amount in aggregate as shown below :			
		Number of workmen employed in the industry	Amount not exceeding		
		1 to 50	₹ 7,000/-		
		51 to 100	₹ 10,000/-		
		101 to 500	₹ 15,000/-		
		More than 500	₹ 20,000/-		
4.	26	(i) In case of illegal strike, ₹ 150/- per day by each workman but not exceeding ₹ 3000/- in aggregate; (ii) In case of illegal lock-out ₹ 300/- per day by an employer but not exceeding the amount in aggregate as shown below :			
		Number of workmen employed in the industry	Amount not exceeding		
		1 to 50	₹ 7,000/-		
		51 to 100	₹ 10,000/-		
		101 to 500	₹ 15,000/-		
		More than 500	₹ 20,000/-		
5.	27 and 28	As per section 26 above for illegal strike and lockout.			
6.	29	₹ 200/- per day in respect of each of the workman.			
7.	30A	25 days wages last drawn by each workman.			
8.	31(1)	Number of workmen employed in the industry	For first offence	For second offence	For third offence
		1 to 50	₹ 10,000/-	₹ 15,000/-	₹ 20,000/-
		51 to 100	₹ 15,000/-	₹ 20,000/-	₹ 25,000/-
		101 to 500	₹ 20,000/-	₹ 25,000/-	₹ 30,000/-
		more than 500	₹ 30,000/-	₹ 35,000/-	₹ 40,000/-
9.	31(2)	(i) For each workman, for the first offence ₹ 1000/-, for the second offence ₹ 2000/- and for the third offence ₹ 3000/-			

		(ii) For Employer:			
		Number of workmen employed in the industry	For first offence	For second offence	For third offence
		1 to 50	₹ 1500	₹ 3000	₹ 6000
		51 to 100	₹ 3000	₹ 6000	₹ 10000
		101 to 500	₹ 4000	₹ 8000	₹ 15000
		more than 500	₹ 5000	₹ 10000	₹ 20000

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature wherever applicable shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided also that when an offence is compounded on an application by the employer, then the compounding amount received from him, shall be paid to the concerned workman or equally amongst the workmen and if any workmen are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged. ”.

**Amendment of Fourth Schedule to 14 of 1947.**

9. In the Industrial Disputes Act, in the Fourth Schedule, entries at serial No. 6 and 11 shall be deleted.

**Amendment of section 2 of 11 of 1948.**

10. In the Minimum Wages Act, 1948 (hereinafter referred to as “the Minimum Wages Act”), in section 2, in clause (e), -

11 of 1948.

- (i) after the words “or through another person”, the words “including outsourcing agency” shall be inserted;
- (ii) after sub-clause (iv), the following explanation shall be added, namely:-

“*Explanation.*- For the purposes of this clause, “outsourcing agency” means an agency which by a contractual agreement or otherwise, provides services or supplies employees.”.

11. In the Minimum Wages Act, in section 11, to sub-section (1), the following proviso shall be added, namely:-

Amendment  
of section 11  
of 11 of 1948.

63 of 1948.  
Bom. LXXIX of  
1948.

“Provided that every establishment registered under the Factories Act, 1948 and every establishment registered under the Gujarat Shops and Establishments Act, 1948, wherein not less than twenty employees are engaged, shall pay the minimum wages only through cheque or by depositing the same in any Bank.”.

12. In the Minimum Wages Act, after section 18, the following section shall be inserted, namely:-

Insertion of  
new section  
18A in 11 of  
1948.

Obligation of  
Employer.

“18A. (1) Every employer in such class of employment as may be notified by the State Government, taking into consideration the number of employees employed by him, shall get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed.

(2) The State Government shall prescribe the audit and assessment norms for compliance of labour laws and labour standards.

(3) The incentives to the employer for compliance of labour laws and labour standards shall be, subject to the outcome of audit and assessment, as may be prescribed.

(4) Any employer who complies with the provision of sub-section (2) shall be eligible for exemption from the inspections as provided under the Act.”.

13. In the Minimum Wages Act, in section 22A, for the words “five hundred rupees”, the words “twenty-one thousand rupees” shall be substituted.

Amendment  
of section 22A  
of 11 of 1948.

14. In the Minimum Wages Act, after section 22C, the following section shall be inserted, namely:-

Insertion of  
new section  
22CC in 11 of  
1948.

Compounding  
of offences.

“22CC. (1) Any offence punishable under section 22A may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below.

TABLE

Section	Compounding amount			
2	3			
22A	Number of employees employed in the industry	For first offence	For second offence	For third offence
	1 to 50	₹ 1500	₹ 3000	₹ 6000
	51 to 100	₹ 3000	₹ 6000	₹ 10000
	101 to 500	₹ 4000	₹ 8000	₹ 15000
	more than 500	₹ 5000	₹ 10000	₹ 20000

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided also that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned employee or equally amongst the employees and if any employees are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence."

Insertion of new section 111AA in 63 of 1948.

15. In the Factories Act, 1948, after section 111, the following section shall be inserted, namely:-

63 of 1948.

Obligation of Occupier.

"111AA. (1) Every occupier in such class of factories as may be notified by the State Government, taking into consideration the number of employees employed by him or the nature of the manufacturing process, shall get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed.

(2) The State Government shall prescribe the audit and assessment norms, for compliance of labour laws and labour standards.

(3) The incentives to the occupier for compliance of labour laws and labour standards shall be, subject to the outcome of audit and assessment, as may be prescribed.

(4) Any occupier who complies with the provision of sub-section (2) shall be eligible for exemption from the inspections as provided under the Act.”.

27 of 1961. 16. In the Motor Transport Workers Act, 1961, after section 34, the following section shall be inserted, namely:-

Insertion of  
new section  
34A in 27 of  
1961.

Compounding  
of offences.

“34A. (1) Any offence punishable under sub-section (1) of section 29, section 31 and section 32 may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for the amount of rupees five thousand:

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided also that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid wherever it is feasible to the concerned worker or equally amongst the workers and if any workmen are not identifiable then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged.”.

21 of 1965. 17. In the Payment of Bonus Act, 1965 (hereinafter referred to as “the Payment of Bonus Act”), after section 26, the following section shall be inserted, namely:-

Insertion of  
new section  
26A in 21 of  
1965.

Obligation of  
Employer.

“26A. (1) Every employer in such class of establishments as may be notified by the State Government, taking into consideration the number

of employees employed by him, shall get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed.

(2) The State Government shall prescribe the audit and assessment norms, for compliance of labour laws and labour standards.

(3) The incentives to the employer for compliance of labour laws and labour standards shall be, subject to the outcome of audit and assessment, as may be prescribed.

(4) Any employer who complies with the provision of sub-section (2) shall be eligible for exemption from the inspections as provided under the Act.”.

Insertion of  
new section  
29A in 21 of  
1965.

18. In the Payment of Bonus Act, after section 29, the following section shall be inserted, namely:-

Compounding  
of offences.

“29A. (1) Any offence punishable under this Act or the rules made thereunder may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below:

TABLE

Compounding amount			
2			
Number of employees employed in the establishment	For first offence	For second offence	For third offence
1 to 50	₹ 1500	₹ 3000	₹ 6000
51 to 100	₹ 3000	₹ 6000	₹ 10000
101 to 500	₹ 4000	₹ 8000	₹ 15000
more than 500	₹ 5000	₹ 10000	₹ 20000

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:



Provided also that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned employee or equally amongst the employees and if any employees are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged.”.

32 of 1966.

19. In the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, after section 33, the following section shall be inserted, namely:-

Insertion of  
new section  
33A in 32 of  
1966.

Compounding of  
offences.

“33A. (1) Any offence punishable for second or any subsequent offence under sub-section (1) of section 33 may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf, for the amount of rupees five thousand:

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided further that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned employee or equally amongst the employees and if any employees are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged.”.

37 of 1970.

20. In the Contract Labour (Regulation and Abolition) Act, 1970, (hereinafter referred to as “the Contract Labour Act”), after section 25, the following section shall be inserted, namely:-

Insertion of  
new section  
25A in 37 of  
1970.

**Compounding  
of offences.**

“25A. (1) Any offence punishable under sub-sections (1) and (2) of section 22 and section 24 may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below.

TABLE

Sections 2	Compounding amount 3	
	Number of workmen employed in the establishment	Amount not exceeding
22(1), 22(2) and 24	1 to 50	₹ 7000/-
	51 to 100	₹ 10000/-
	101 to 500	₹ 15000/-
	more than 500	₹ 20000/-

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided also that when an offence is compounded on an application by the principal employer or contractor, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned employee or equally amongst the employees and if any employees are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged.”.

**Insertion of  
new section  
29A in 37  
of 1970.**

21. In the Contract Labour Act, after section 29, the following section shall be inserted, namely:-

Obligation of principal employer and contractor.

“29A. (1) Every principal employer or contractor in such class of establishments, as may be notified by the State Government, taking into consideration the number of employees employed by him, shall get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed.

(2) The State Government shall prescribe the audit and assessment norms for compliance of labour laws and labour standards.

(3) The incentives to the principal employer or contractor for compliance of labour laws and labour standards shall be, subject to the outcome of audit and assessment, as may be prescribed.

(4) Any principal employer or contractor who complies with the provision of sub-section (2) shall be eligible for exemption from the inspections as provided under the Act.”

39 of 1972. 22. In the Payment of Gratuity Act, 1972, after section 10, the following sections shall be inserted, namely:-

Insertion of new sections 10A and 10B in 39 of 1972.

Compounding of offences.

“10A. (1) Any offence punishable under sub-section (2) of section 9 in so far as the contravention of the provisions of the rules 3, 6(1), 8, and 10A(7) of the Payment of Gratuity (Gujarat) Rules, 1973 is concerned, may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below:

TABLE

Compounding amount				
2				
Number of employees employed in the establishment	Rule 3	Rule 6(1)	Rule 8	Rule 10A(7)
1 to 50	₹ 5000	₹ 10000	₹ 2000	₹ 3000
51 to 100	₹ 5000	₹ 15000	₹ 2000	₹ 3000
101 to 500	₹ 5000	₹ 20000	₹ 2000	₹ 3000
more than 500	₹ 5000	₹ 25000	₹ 2000	₹ 3000

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

Provided also that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned employee or equally amongst the employees and if any employees are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

33 of 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged.

Obligation of  
Employer.

**10B.** (1) Every employer in such class of establishments as may be notified by the State Government, taking into consideration the number of employees employed by him, shall get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed.

(2) The State Government shall prescribe the audit and assessment norms for compliance of labour laws and labour standards.

(3) The incentives to the employer for compliance of labour laws and labour standards shall be, subject to the outcome of audit and assessment, as may be prescribed.

(4) Any employer who complies with the provision of sub-section (2) shall be eligible for exemption from the inspections as provided under the Act.”.

Amendment  
of section 10  
25 of 1976.

**23.** In the Equal Remuneration Act, 1976 (hereinafter referred to as “the Equal Remuneration Act”), in section 10, in sub-section (3), for the words “five hundred rupees”, the words “twenty-one thousand rupees” shall be substituted.

25 of 1976.

Insertion of  
new section  
11A in 25 of  
1976.

**24.** In the Equal Remuneration Act, after section 11, the following section shall be inserted, namely:-

Compounding  
of offences.

“**11A.** (1) Any offence punishable under section 10 may, either before or after the institution of the prosecution, on an application by the alleged offender, be compounded by such officer or authority as the State Government may, by notification in the *Official Gazette*, specify in this behalf for such amount as specified in the Table below:

TABLE

Sr. No.	Sections	Compounding amount			
		1	2	3	
		Number of workers employed in the Establishments or employment	For first offence	For second offence	For third offence
1	10(1) and 10(3)	1 to 50	₹ 1500	₹ 3000	₹ 6000
		51 to 100	₹ 3000	₹ 6000	₹ 10000
		101 to 500	₹ 4000	₹ 8000	₹ 15000
		more than 500	₹ 5000	₹ 10000	₹ 20000
2	10(2)	Difference in the remuneration paid and actually payable, for 90 days for every completed year of service of each worker .			

Provided that the State Government may, by notification in the *Official Gazette*, amend the compounding amount specified in the Table above:

Provided further that the offence committed of the same nature shall be compoundable only for the first three offences:

Provided also that such offences shall be compounded only after the alleged offender has acted to the satisfaction of such officer or authority that such offence is not continued any further:

33 of 2008. Provided further that when an offence is compounded on an application by the employer, then seventy-five per cent. of the compounding amount received from him, shall be paid to the concerned worker or equally amongst the workers and if any workers are not identifiable, then the remaining amount shall be deposited in the Gujarat State Social Security Board constituted under the Unorganised Workers' Social Security Act, 2008.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence and the offender, if in custody, shall be discharged."

27 of 1996. 25. In the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, in section 2, in sub-section (1), in clause (e), in sub-clause (ii), for the words "draws wages exceeding one thousand six hundred rupees per *mensem*", the words "draws wages three times more than the monthly wages of the skilled labour" shall be substituted.

Amendment of section 2 of 27 of 1996.

33 of 2008. 26. In the Unorganised Workers' Social Security Act, 2008, in Schedule II, entry at serial No. 2 shall be deleted.

Amendment of Schedule II of 33 of 2008.

### STATEMENT OF OBJECTS AND REASONS

Since its inception, Gujarat has been an industrially progressive State. However, in the last decade, it has become an industrial hub and growth engine of the country. There have been cordial relations between the industry and the workers and there have been hardly any occasions of strikes or lock-outs. More and more industries are being established in Gujarat and therefore, the State Government has considered it necessary to strike the balance of interests between the industries and the workers and create an environment which is conducive to both, the industry and the workers. Industry and labour are both integral parts which ought to have relationship of professionalism, cordiality, and trust for sustained growth and development as also transforming the general quality of life.

Simultaneously, acknowledging the highest aspiration of workers as well as industrialists and their critical role in nation building, it is imperative to base the legal interventions on a paradigm of trust, responsibility and mature mutuality. Moving ahead with the current times, transparency, objectivity, expeditious resolution of problems by way of measures like self-certification, audit and assessment and compounding of the offences will reduce unnecessary and endless litigation. These would further empower and strengthen the labourers and employers alike in their growth and productivity Odyssey.

Special care has also been taken to fortify the labourers with greater compensation just as incentives are being incorporated to make industries increasingly adhere to best labour practices and standards.

To achieve the said purpose, the State Government has considered it necessary to make certain amendments in certain labour laws.

It is proposed to make a provision in the Employee's Compensation Act, 1923 to the effect that if an application is not made by the employee himself or by his dependent before the Commissioner for Compensation within a period of ninety days from the occurrence of the accident, then, such an application can be filed by the officer authorised in this behalf, by the State Government. *Clause 2* of the Bill provide for the same.

Certain amendments are proposed to be made in the Industrial Disputes Act, 1947 as follows:-

- (i) Under the existing provision of clause (n) of section 2 of the said Act, the State Government is empowered to prohibit strikes in public utility service, in the first instance for not exceeding six months but it may extend such time by any period not exceeding six months at any one time. It is proposed to increase such initial period of 'six months' to 'one year' and subsequently by any period not exceeding two years, respectively. *Clause 3* of the Bill provides for the same.

- (ii) Section 2A of the said Act *inter alia* provides that the workman may make an application against his dismissal, discharge, etc. raising as 'industrial dispute', to the labour court or tribunal before the expiry of three years. However, it is considered necessary to reduce such time limit of three years to one year. *Clause 4* of the Bill provides for the same.
- (iii) It is also proposed to extend the provisions of Chapter V-D to the 100% export oriented industrial establishments, industrial establishments set up in the Special Investment Region (SIR) and National Investment and Manufacturing Zone (NIMZ). This would help in attracting the entrepreneurs in establishing the establishments in such regions/zones and shall lead to more employment opportunities. An amendment is also proposed in section 25ZA of the said Act to the effect that in case of termination of a workman, the workman would be paid compensation for sixty days instead of forty-five days salary. *Clauses 5 and 6* of the Bill provide for the same.
- (iv) Sub-section (2) of section 31 provides for fine up to one hundred rupees where penalty for contravention of any provision of the Act is not provided. It is proposed to enhance the penalty of rupees one hundred to twenty-one thousand rupees in view of the fact that a new provision for compounding of offence proposed to be inserted. *Clause 7* of the Bill provide for the same.
- (v) Section 9A of the said Act provides for giving of notice to workman by the employer in case any change is intended by the employer in the entries provided in Fourth Schedule to the said Act. It is proposed to delete the entries No. 6 and 11 of the said Schedule. *Clause 9* of the Bill provides for the same.

Certain amendments are proposed to be made in the Minimum Wages Act, 1948 as follows:-

- (i) It is proposed to amend the definition of the term "contractor" as provided in clause (e) of section 2 of the Act, to bring the outsourcing agencies within the ambit of the said definition. *Clause 10* of the Bill provides for the same.
- (ii) Section 11 of the Act, provides that the minimum wages shall be paid in cash. It is proposed to amend the said provision to the effect that any establishment registered either under the Factories Act, 1948 or the Gujarat Shops and Establishments Act, 1948, wherein not less than twenty employees are engaged shall pay the minimum wages through cheque or depositing the same in the Bank. *Clause 11* of the Bill provides for the same.

- (iii) Section 22A provides for fine up to five hundred rupees where penalty for contravention of the any provision of Act is not provided. It is proposed to enhance the penalty of rupees five hundred to twenty-one thousand rupees in view of the fact that a new provision for compounding of offence proposed to be inserted. *Clause 13* of the Bill provide for the same.

Sub-section (3) of section 10 of the Equal Remuneration Act, 1976 provides for fine up to five hundred rupees for non-production of any register or other document before the Inspector. Since this offence is proposed to be made compoundable the penalty up to five hundred rupees is proposed to be raised up to twenty-one thousand rupees. *Clause 23* of the Bill provide for the same.

In the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, section 2(1)(e) provides for the definition of term "building worker" which *interalia* provides that the term "building worker" would not include in its fold such person who being employed in supervisory capacity draws wages exceeding one thousand six hundred rupees per *mensem*. It is proposed to amend the said provision to the effect that the term "building worker" shall not include such person who draws wages three times more than the monthly wages of the skilled labour. *Clause 25* of the Bill provides for the same.

It is proposed to delete entry 2 namely, the Industrial Disputes Act, 1947 from Schedule II of the Unorganised Workers' Social Security Act, 2008, so that the said Act of 2008 is made applicable to the Unorganised workers.

It is also proposed to make certain offences punishable under the different Acts, namely, Industrial Disputes Act, 1947, the Minimum Wages Act, 1948, the Motor Transport Workers Act, 1961, the Payment of Bonus Act, 1965, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, the Contract Labour (Regulation and Abolition) Act, 1970, the Payment of Gratuity Act, 1972 and the Equal Remuneration Act, 1976 as compoundable in the manner as provided in *clauses 8, 14, 16, 18, 19, 20, 22 and 24*, respectively.

A new provision is proposed to be inserted in the Minimum Wages Act, 1948, the Factories Act, 1948, the Payment of Bonus Act, 1965, the Contract Labour (Regulation and Abolition) Act, 1970 and the Payment of Gratuity Act, 1972 to the effect that every occupier, employer or the principal occupier of such class of factories or establishments, as the case may be, as may be notified by the State Government taking into consideration the number of employees, etc. shall have to get himself enrolled under the Self Certification cum Consolidated Annual Return Scheme as may be prescribed under the rules. The provisions are also proposed to be incorporated to the effect that the State Government shall prescribe audit and assessment norms for compliance of labour laws and



labour standards and the occupier, employer or the principal occupier, as the case may be, shall become eligible for exemption from the inspection. This would help in reducing the number of inspections and less interference by the authorities in the day to day affairs of the industrial establishments. *Clauses 12, 15, 17, 21 and 22* of the Bill provide accordingly.

This Bill seeks to amend the said Acts to achieve the aforesaid objects.

**VIJAYBHAI RUPANI,**

### **MEMORENDUM REGARDING DELEGATED LEGISLATION**

This Bill involves the delegation of legislative powers in the following respects:-

**Clause 1.-** Sub-clause (2) of this clause empowers the State Government, by notification in the *Official Gazette*, to appoint the date on which the provisions of the Bill shall come into force.

**Clause 3.-** Proviso to sub-clause (iv) of clause (n) of sub-section (2) proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to extend the period not exceeding two years for an industry to be declared as public utility service.

**Clause 8.-** (1) Sub-section (1) of new section 31A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sections 25Q, 25R, 25U, 26, 27, 28, 29, 30A and sub-sections (1) and (2) of section 31 of the Industrial Disputes Act, 1947.

(2) Proviso to sub-section (1) of new section 31A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

**Clause 12.-** (i) Sub-section (1) of new section 18A proposed to be inserted by this clause empowers the State Government to prescribe by rules, the Self-Certification cum Consolidated Annual Return Scheme;

(ii) Sub-sections (2) and (3) of new section 18A proposed to be inserted by this clause empower the State Government to prescribe by rules,

the audit and assessment norms for compliance of labour laws and labour standards and the incentives to be given to the employer for compliance of the same, respectively.

**Clause 14.-** (1) Sub-section (1) of new section 22CC proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sections 22A of the Minimum Wages Act, 1948.

(2) Proviso to sub-section (1) of new section 22CC proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

**Clause 15.-** (i) Sub-section (1) of new section 111AA proposed to be inserted by this clause empowers the State Government to prescribe by rules, the Self-Certification cum Consolidated Annual Return Scheme;

(ii) Sub-sections (2) and (3) of new section 111AA proposed to be inserted by this clause empowers the State Government to prescribe by rules, the audit and assessment norms for compliance of labour laws and labour standards and the incentives to be given to the employer for compliance of the same, respectively.

**Clause 16.-** (1) Sub-section (1) of new section 34A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sub-section (1) of section 29 and sections 31 and 32 of the Motor Transport Workers Act, 1961.

(2) Proviso to sub-section (1) of new section 34A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount specified in sub-section (1).

**Clause 17.-** (i) Sub-section (1) of new section 26A proposed to be inserted by this clause empowers the State Government to prescribe by rules, the Self-Certification cum Consolidated Annual Return Scheme.

(ii) Sub-sections (2) and (3) of new section 26A proposed to be inserted by this clause empowers the State Government to prescribe by rules, the audit and assessment norms for compliance of labour laws and labour standards and the incentives to be given to the employer for compliance of the same, respectively.

**Clause 18.-** (1) Sub-section (1) of new section 29A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under the Payment of Bonus Act, 1965 and the rules made thereunder.

(2) Proviso to sub-section (1) of new section 29A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

**Clause 19.-** (1) Sub-section (1) of new section 33A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sub-section (1) of section 33 of the Beedi and Cigar Workers (Conditions of Employment) Act, 1966.

(2) Proviso to sub-section (1) of new section 33A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in sub-section (1).

**Clause 20.-** (1) Sub-section (1) of new section 25A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sub-sections (1) and (2) of section 22 and section 24 of the Contract Labour (Regulation and Abolition) Act, 1970.

(2) Proviso to sub-section (1) of new section 25A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

**Clause 21.-** (i) Sub-section (1) of new section 29A proposed to be inserted by this clause empowers the State Government to prescribe by rules, the Self-Certification cum Consolidated Annual Return Scheme.

(ii) Sub-sections (2) and (3) of new section 29A proposed to be inserted by this clause empowers the State Government to prescribe by rules, the audit and assessment norms for compliance of labour laws and labour standards and the incentives to be given to the principal employer or contractor for compliance of the same, respectively.

**Clause 22.-** (1) Sub-section (1) of new section 10A proposed to be inserted by this clause empowers the State Government, by notification

in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under sub-section (2) of section 9 of the Payment of Gratuity Act, 1972 in so far as the contravention of the provisions of the rules 3, 6(1), 8 and 10A(7) of the Payment of Gratuity (Gujarat) Rules, 1973.

(2) Proviso to sub-section (1) of new section 10A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

(3) (i) Sub-section (1) of new section 10B proposed to be inserted by this clause empowers the State Government to prescribe by rules, the Self-Certification cum Consolidated Annual Return Scheme.

(ii) Sub-sections (2) and (3) of new section 10B proposed to be inserted by this clause empowers the State Government to prescribe by rules, the audit and assessment norms for compliance of labour laws and labour standards and the incentives to be given to the employer for compliance of the same, respectively.

**Clause 24.-** (1) Sub-section (1) of new section 11A proposed to be inserted by this clause empowers the State Government, by notification in the *Official Gazette*, to authorise the officers or authorities to compound the offences punishable under section 10 of the Equal Remuneration Act, 1976.

(2) Proviso to sub-section (1) of new section 11A proposed to be incorporated by this clause empowers the State Government, by notification in the *Official Gazette*, to amend the compounding amount as specified in the table.

The delegation of powers as aforesaid is necessary and is of a normal character.

Gandhinagar,

Dated the 18<sup>th</sup> February, 2015.

**VIJAYBHAI RUPANI.**

By order and in the name of the Governor of Gujarat,

Gandhinagar,

Dated the 18<sup>th</sup> February, 2015

**C. J. GOTH,**

Secretary to the Government of Gujarat,  
Legislative and Parliamentary Affairs Department.