No. S-25012/1/96-ISH-II (Vol. XI)
GOVERNMENT OF INDIA,
MINISTRY OF LABOUR AND EMPLOYMENT
SHRAM SHAKTI BHAVAN, RAFI MARG,
NEW DELHI – 110 001.

Dated:- 05.06.2014

OFFICE MEMORANDUM

Subject:- Inviting comments/suggestions on the proposed amendments to the Factories Act, 1948.

The Ministry of Labour and Employment proposes to amend the Factories Act, 1948. In this regard, important developments and main features alongwith the tabulated statement (Annexure-I) on comprehensive amendments to the Factories Act, 1948 have been uploaded on the website of Ministry of Labour and Employment i.e. http://labour.nic.in.

2. It is requested that the comments on the proposed amendments may be sent to Deputy Secretary (ISH), Ministry of Labour and Employment, Room No. 303, Shram Shakti Bhawan, Rafi Marg, New Delhi, 110001 within 30 days.

Deputy Secretary
Tele fax No. 011-23717275

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Brief on Factories (Amendment) Bill, 2014

The Factories Act 1948 is an Act to consolidate and amend laws regulating labour in Factories. It is a Central Act which is enforced by the State Governments. The Act was last amended in 1987 after the Bhopal Gas Tragedy. The Ministry has prepared a comprehensive proposal for amending the Factories Act which is still under consideration.

THE FACTORIES (AMENDMENT) BILL, 2014

The present proposed amendments have emanated from the following:

- Recommendations / suggestions given by the Conference of Chief Inspectors of Factories,
- Recommendations of the Expert Committees,
- Need to be in line with various ILO Conventions,
- Judgments of Supreme Court / High Courts,
- Need for synchronization with Environment Protection Act, 1986 and rules made thereunder.

These proposals were also discussed in the meeting of the Committee of Secretaries and based on the decisions taken therein, the amendments were further modified.

The proposed amendments deal with 61 Sections and two Schedules.

Important Developments: -

- A Cabinet Note for amendments in the Factories Act, 1948 was submitted in October 2008 which was referred to the Committee of Secretaries.
- ii) The Committee of Secretaries examined the matter in January 2009 and made some important recommendations. The proposal was revised accordingly.

- iii) The proposal was re-circulated/modified and re-submitted to the Cabinet Secretariat in November 2010. An Expert Committee consisting of Dr. Narendra Jadhav, Member Planning Commission (Chairman), Dr. Kaushik Basu and Shri P.C. Chaturvedi (Members) was constituted to examine the proposal.
- iv) The Committee held extensive discussions with various stakeholders and submitted its report on 23rd June 2011.
- v) The report was examined and requisite amendments were made in the draft proposal. The same were uploaded on the Ministry's Website on 06.09.2011 for seeking comments/suggestions.
- vi) The report of the Expert Committee was also re-circulated to the Central Ministries/Departments and State Governments and Union Territories.
- (vii) After incorporating these suggestions/observations, the draft Cabinet Note was prepared. Thereafter, the Cabinet Note was referred to the Ministry of Law and Justice for vetting by the Legislative Department and clearance from legal angle by Department of Legal Affairs.
- (viii) As per the decision of the Committee of Secretaries on 10.01.2014, the proposed amendments in the Factories Act, 1948 are being placed in public domain (website of Ministry of Labour and Employment) for a period of 30 days for proactively sharing them with public.
- (ix) Statement showing existing Provisions, proposed amendments and reasons thereof is annexed.

Statement showing existing Provision, proposed amendments and reasons thereof.

Sr. No.	Existing Provision	Contents of proposed Amendments	Reason for proposed Amendments
	2(cb) "hazardous process" means any process or activity in relation to an industry specified in the First Schedule where unless special care is taken, raw materials used therein or the intermediate or finished products, bye products, wastes or effluents thereof would (i) cause material impairment to the health of the persons engaged or connected therewith, or (ii) result in the pollution of the general environment: Provided that the State Government may, by notification in the Official Gazette, amend the First Schedule by way of addition, omission or variation, any industry specified in the said Schedule.	1. The existing section 2(cb) shall be substituted by the following, namely - (cb) "hazardous process" means any process where, unless special care is taken, raw materials, hazardous substances used therein or the intermediate or finished products, bye products, wastes or effluents thereof would- (A) cause material impairment to the health of the persons engaged in or connected therewith; or (B) result in the pollution of the general environment;	The term "hazardous process" has to be redefined as a process in which a hazardous substance is used. The present definition of 'hazardous process industry' links it with the First Schedule under the Factories Act owing to the notation to the effect that "hazardous process means any process or activity in relation to a industry specified in the First Schedule". The issues relating to the restrictive scope of the first Schedule and some of the hazardous process activities being left out of the First Schedule, have been discussed at length in various Conferences namely, the 40 th , 41 st and 42 nd conference of Chief Inspectors of Factories. On further examination of the issues involved under this subsection, and in the light of frequent references from the factories, directly to Directorate General in regard to considering their process as 'hazardous process' it is considered not essential to retain the First Schedule. Since the term 'hazardous substance' is also proposed to be defined as per the Environment (Protection) Act by introducing a new sub-section 2(cc). With this amendment, the hazardous process will be identified by use of hazardous substance which will be duly notified from time to time under new clause 2(cc). In view of the above, the First Schedule is deleted. Further, the words 'as prescribed by Central or State Government' in the Rules

No. S-29012/1/96-ISH-II (Vol. XI) MINISTRY OF LABOUR& EMPLOYMENT

2.	Nil - New Section 2(cc)	After the clause 2(cb), a new clause 2(cc) is to be added, namely, - "2(cc) "hazardous substance" means any substance as prescribed or preparation of which by reason of its chemical or physio-chemical properties or handling is liable to cause physical or health hazards to human being or may cause harm to other living creatures, plants, micro-organisms, property or the environment;";	have been added in view of the comments of various Ministries and Departments of Government of India. This has been done to bring in more clarity based on the comments received by Central Ministries of Government of India. The term 'hazardous substance' had not been earlier defined though it has been used at a number of places in Chapter IVA of the Act which was introduced by the Factories (Amendment) Act, 1987. It is now proposed to define it in a manner similar to that in the Environment (Protection) Act, 1986 approved by the 41st Conference of Chief Inspectors of Factories.
			Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 1 of Annexure-V)
3.	Nil-New Section 2(ea)	After the clause 2(e), a new clause 2(ea) is to be added, namely - '2(ea) "disability" shall have the meaning as assigned to it in clause (i) of section 2 of the Persons With Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995";	Such a definition is necessary in view of proposed amendments concerning persons with disabilities.
4.	2(f) 'week' means a period of seven days beginning at midnight on Saturday night or such other night as may be approved in writing for a particular area by the Chief Inspector of Factories.	In the existing clause (f), after the words "particular area", the words "or a	

Section 2(k), the existing sub-2(k) "manufacturing The Government of India set up process means any clause (iv) shall be substituted by the Empowered Committee to process for following, viz. process the Recommendations of the Expert Committee for (iv) composing and processing for Newspaper Employees. One of printing, printing by letter press, lithography, offset, photogravure, screen (iv) composing types the recommendations of the for printing, printing by Expert Committee was to amend letter press, lithography, printing, flexography, or other similar Section 2(k) (iv) of the Factories Act relating to photogravure or other process or binding; or;"; the definition similar process of 'Manufacturing Process' book-binding; or covering printing presses so that all workers engaged in the factory ... side of the news-paper establishments are covered under the Factories Act and the Workmen's Compensation Act. This recommendation has been accepted by the Empowered Committee and accordingly. definition of the manufacturing process is proposed to be amended to also cover certain types of printing processes such as the off-set printing, Screen flexography, printing, and processes and operations incidental thereto as they are presently not covered. Approved by the 41st Conference of Chief Inspectors of Factories. 6. "occupier" Clause (iii) of sub- section (n) may be Keeping in view the comments factory means the person substituted by the following:from received the Central who has ultimate control Ministries of Government of India over the affairs of the (iii) in the case of a factory owned or the existing definition has been factory. controlled by the Central Government, retained with only a modification in or any State Government, or any local the proviso relating to Provided that authority, the person or persons Government owned factories. (i) xx appointed to manage the factory by the XX XX prescribing the definition of the (ii) xx XX XX Central Government, the State occupier through the Rules to be (iii) in the case of a factory Government or the local authority as notified for such purposes. owned or controlled by the may be prescribed, as the case may be Central Government, or any shall be deemed to be the occupier;". State Government, or any local authority, the person The above proposal has been modified or persons appointed to as given below:manage the affairs of the factory by the Central "in the case of a factory owned or Government, controlled by the Central Government, or the State any State Government, or any local Government or the local authority, as the case may authority, the person or persons be, shall be deemed to be appointed to manage the factory by the the occupier. Central Government, the State

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

7.	2(p) prescribed means prescribed by rules made by the State Government under this Act.	Government or the local authority as may be prescribed, as the case may be shall be deemed to be the occupier;". Hence the earlier proposal of incorporating 'having ultimate control over the affairs of the factory' has been dropped. After the word 'by' the words 'the Central Government or' shall be inserted.	
8.	6. Approval, licensing and registration of factories (1) (2) (3) Explanation A factory shall not be deemed to be extended within the meaning of this Section by reason only of the replacement of any plant or machinery, or within such limits as may be prescribed, of the addition of any plant or machinery, if such replacement or addition does not reduce the minimum clear space required for safe working around the plant or machinery/or adversely affect the environmental conditions from the evolution or emission of steam, heat or dust or fumes injurious to health.	The explanation clause shall be substituted by the following, namely, "Explanation.— A factory shall not be deemed to be extended within the meaning of this section by reason only of the replacement of any plant or machinery or within such limits as may be prescribed, or the addition of any plant or machinery, if such replacement or addition does not reduce the minimum clear space required for safe working around the plant or machinery or result in hazardous conditions likely to cause accident, dangerous occurrence or injuries to health of workers or public or adversely affect the environmental conditions from the evolution or emission of steam, heat or dust or fumes, or chemical or biological wastes injurious to health and a certificate in writing shall be given by a competent person to this effect." Provided that till the certificate, as referred to in the Explanation, is given by a Competent person a certificate in writing given by the occupier by himself may be accepted	In terms of Section 6 of the Act an Occupier is not required to take permission from the State Government for expansion of a factory within certain prescribed limits. It is, however, possible that such expansion may involve hazards to the safety of workers as well as the people in the vicinity. It is, therefore, proposed to amend the Explanation to 6 so that it would be necessary for an Occupier to obtain permission of the State Government before making such an expansion. Approved by the 41st Conference of Chief Inspectors of Factories. Further, as suggested by the Ministry of Health and Family Welfare the words, "biological wastes" were also added. Based on the decision of the Committee of Secretaries the proposal has been modified to provide for certificates being given by the competent person. (Please see Item 8 of Annexure-V) Based on the comments received from Ministry of Heavy Industries following sentence has been added:- Provided that till the certificate, as referred to in the Explanation, is given by a competent person a

			certificate in writing given by the occupier by himself may be accepted."
9.	7. Notice by occupier (1) The Occupier shall, at least fifteen days before he begins to occupy or use any premises as a factory, send to the Chief Inspector a written notice containing (a) (b) (c) (d) (e) the total rated horse-power installed or to be installed in the factory, which shall not include the rated horse-power of any separate standby plant; (f)	In sub-section (1), in clause (e), for the words "horsepower" at both the places where it occurs, the words "power in Kilowatts" shall be substituted.	This is due to conversion of unit from the British to the Metric System. Approved by the 41 st Conference of Chief Inspectors of Factories.
	(g) (h) (i)		
10.	7-B General duties of manufacturers, etc., as regards articles and substances for use in factories (1) (2) (3) (4) (5) Where a person designs, manufactures, imports or supplies an article on the basis of a written undertaking by the user of such article to take the steps specified in such undertaking to ensure, so far as is reasonably practicable, that the article will be safe and without risks to the health of the workers when properly used, the	 (A) for sub-section (5), the following subsection shall be substituted, namely:— "(5) It shall be the duty of a person,— (a) who erects or installs any article for use in a factory, to ensure, so far as practicable, that such article so erected or installed does not make it unsafe or a risk to health when that article is used by the persons in such factory; (b) who manufactures, imports or supplies any substance for use in any factory— (i) to ensure, so far as practicable, that such substance is safe and has no risks involved to health of persons working in such factory; (ii) to carry out or arrange for carrying out of such tests and examination in relation to such substance as may be necessary; 	Section 7B imposes a responsibility on the manufacturer to ensure, inter alia, that plant and machineries are so manufactured as to be safe and without risk to the health of the workers. It is proposed to extend the provisions of the section to hazardous substances. In fact the title of the section mention both articles and substances though provisions of the section deal only with the article. Approved by the 41st Conference of Chief Inspectors of Factories. The proposed amendment was examined with reference to provisions existing in other countries and was found that similar provisions in the safety and health statutes do exist in the
	undertaking shall have the		developed as well as developing

effect of relieving the person designing, manufacturing, importing supplying the article from the duty imposed by clause

(a) of sub-section (1) to such extent as is reasonable having regard to the terms of the undertaking,

(6) For the purpose of this Section, an article is not to be regarded as properly used if it is used without regard to any information or advice relating to its use which has been made available by the person who has designed, manufactured, imported or supplied the article.

Explanation.-For the purpose of this Section, "article" shall include plant and machinery.

- (iii) to take such steps as are necessary to secure that the information about the results of tests carried out in connection with the use of the substance as referred to in sub-clause (ii) is available in a factory along with conditions necessary to ensure its safe use and no risks to health;
- (c) who undertakes the manufacture of any substance for use in any factory to carry out or arrange for the carrying out of any necessary research with a view to discover and, so far as practicable, to ensure the elimination or minimisation of any risks to health or safety to which the substance may give rise out of such manufacture or research.";
- (B) in sub-section (6), for the word "article" at both the place where it occurs, the words "article or substance" shall be substituted;

(C) for the Explanation, the following Explanation shall be substituted, namely:---

"Explanation.— For the purposes of this section -

- (a) "article" shall include plant and machinery;
- (b) "substance" means any natural or artificial substance whether in a solid or liquid form or in the form of a gas or vapour; and
- (c) "substance for use in any factory" means any substance whether or not intended for use by persons working in a factory."

countries.

No. S-29012/1/96-ISH-II (Vol. XI) MINISTRY OF LABOUR& EMPLOYMENT

SECRET

Page of

11.	New proposal	In Sections 13, 17, 21, 22, 23,28, 29, 34,35, 37, 38, 40B, 41 A, ,41 G,45,87,88 and 90 the words "State Government" may be substituted by the words "Central Government or the State Government"	Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 3 of Annexure-V)
12.	18.Drinking water (1) (2) (3) In every factory wherein more than two hundred and fifty workers are ordinarily employed provision shall be made for cool drinking water during hot weather by effective means and for distribution thereof.	The sub-section (3) shall be substituted by the following - "(3) In every factory, provision shall be made for cool and safe drinking water during hot weather by effective means and for the distribution thereof."	Even in the factories or other places where 5 or more workers are ordinarily employed they are also used to taking cool drinking water after taking the meals. Approved by the 41 st Conference of Chief Inspectors of Factories.
13.	20. Spittoons (1) (2) (3) (4) Whoever spits in contravention of subsection (3) shall be punishable with fine not exceeding five rupees.	The sub-section (4) may be omitted.	This is consequential to introduction of a new Section 92-B consolidating the penalty provisions. Approved by the 41st Conference of Chief Inspectors of Factories.
14.	22. Work on or near machinery in motion. (1) While the machinery is in motion, such examination or operation shall be made or carried out only by a specially trained adult male worker wearing tight fitting clothing (which shall be supplied by the occupier) whose name has been recorded in the register prescribed in this behalf and who has been furnished with a certificate of his appointment. (2) No woman or a young person shall be allowed to clean, lubricate or adjust any part of a prime mover or of any transmission machinery while the prime mover or transmission machinery is in motion, or	in sub-section (1), for the words and brackets "adult male worker wearing tight fitting clothing (which shall be supplied by the occupier)," the words and brackets "adult male worker wearing tight fitting clothing or adult female worker wearing tight fitting clothing or adult female worker wearing tight fitting clothing (which shall be supplied by the occupier), covering loose hair" shall be substituted. (b) for the word "woman" at both the places where it occurs, the words "pregnant woman or a person with disability shall be substituted;	The Sub Group I of Task Force on women and child development recommended for restricting the employment only for pregnant women, person with disability and young person below the age of 18 years. This was suggested in order to promote gender equality at the work place.

	to clean, lubricate or adjust any part of any machine if the cleaning, lubrication or adjustment thereof would expose the woman or young person to risk of injury from any moving part either or that machine or of any adjacent machinery. (3) The (State Government) may, by notification in the Official Gazette, prohibit, in any specified factory or class or description of factories, the cleaning, lubricating or adjusting by any person of specified parts of machinery when those parts are in motion.	(c)in sub-section (3), for the words "The State Government", the words, "The Central Government or the State Government" shall be substituted.	
15.	26. Casing of new machinery (1) xx xx xx (2) xx xx xx (3) xx xx xx	Section 26 may be omitted.	The provisions under Section 7-B of the Factories Act places the responsibility on the manufacturer, supplier, importer of the equipment to design, construct any article so as to be safe and without risk to the health of worker when properly used. In view of this, the specific responsibility cast on the manufacturer under Section 26 becomes redundant. The amendment was approved in the 44 th Conference of Chief Inspectors of Factories.
16.	27. Prohibition of employment of women and children near cotton-openers No woman or child shall be employed in any part of a factory for pressing cotton in which a cotton-opener is at work: Provided that if the feedend of a cotton-opener is in a room separated from the delivery end by a partition extending to the roof or to such height as the Inspector may in any particular case specify in writing, women and children may be employed on the side of the partition where the feedend is situated.	For Section 27, following section shall be substituted namely- "No young person or pregnant woman or a person with disability shall be employed in any part of a factory for pressing cotton in which a cotton-opener is at work."	The Sub Group I of Task Force on women and child development recommended for restricting the employment only for pregnant women, person with disability and young person below the age of 18 years. This was suggested in order to promote gender equality at the work place.

Nil - New Section 35-A

After section 35 of the principal Act, the Section 35 of the Act provides following section shall be inserted, measures only to protect the eye of namely: a worker in certain circumstances. "35A. (1) The occupier, having regard It is proposed to extend the to the nature of the hazards involved in coverage of the provisions to the work and processes being carried include measures for protection of out, shall supply to the workers exposed other parts of the body as well. to such hazards, suitable personal protective equipment and protective Approved by the 41st Conference of clothing as may be necessary. Chief Inspectors of Factories. (2) The personal protective equipment and protective clothing supplied to the workers as required under sub-section (1) shall conform to an international standard where national standard for such protective equipment or clothing is not available. (3) The occupier shall maintain all items of personal protective equipment and protective clothing referred to in subsection (1) in a clean and hygienic condition and in good repair. (4) The State Government or the Central Government may make rules prescribing the standards of maintenance, of personal issue protective equipment and protective clothing with a view to ensure their effectiveness in relation to the conditions of use and conformity to their quality standards.". 18. Precautions against 36. For section 36 of the principal Act, the In the existing Section 36, dangerous fumes, gases, following section shall be substituted, is no provision to prohibit etc.person from entering a confined (1) No person shall be "36. (1) No person shall be required or space such as boiler, furnace. required or allowed to allowed to enter any chamber, tank, vat, flue, etc., while it is hot. Also enter any chamber, tank, pit, pipe, flue or other confined space in there is no provision for checking vat, pit, pipe, flue or any factory in which any gas, fume of oxygen in a deficiency other confined space in any vapour or dust is likely to be present confined space. The State factory in which any gas, such an extent as to involve risk to Governments have also no power fume, vapour or dust is persons being overcome thereby, unless to make rules under this Section. likely to be present to it is provided with a manhole of It is proposed to remove these such an extent as to adequate size or other effective means lacunae. involve risk to persons of egress or wherein the oxygen content being overcome thereby is less than the prescribed content of unless it is provided with a manhole of adequate size or "Explanation. – for the purpose of this other effective means of sub-section, the expression "adequate egress. size" means, -(a) in the case of rectangular shape Approved by the 41st Conference of (2)No person shall be manhole, of not less than 50 cms. x 30 Chief Inspectors of Factories.

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

Page of

required or allowed to enter any confined space as is referred to in subsection (1), until all practicable measures have been taken to remove any gas, fume, vapor or dust, which may be present, so as to bring its level within the permissible limits and to prevent any ingress of such gas, fume, vapour, or dust and unless 4

- (a) certificate in writing has been given by a competent person based on a test carried out by himself that the space is reasonably free from dangerous gas, fume, vapour or dust; or
- (b) such person is wearing suitable breathing apparatus and a belt securely attached to a rope, the free end of which is held by a person outside the confined space.

cms;

- (b) in the case of oval shape manhole, of not less than 50 cms major axis and 30 cms minor axis;
- (c) in case of circular shape manhole, of not less than 50 cms diameter.
- (2) No person shall be required or allowed to enter in any boiler furnace, boiler flue, chamber, tank, vat, pipe or other confined space in any factory for the purpose of working or making any examination therein until —
- (a) it has been sufficiently cooled, by ventilation or otherwise, and is safe for persons to enter; and
- (b) wherever there is likelihood of deficiency of oxygen, -
- (i) a certificate in writing has been given by a competent person, based on test carried out by himself, that the space is not deficient in oxygen so as to be unsafe for persons to enter; or
- (ii) the worker is wearing suitable breathing apparatus and a safety harness for confined spaces securely attached to a rope is available of which the free end is held by a person standing outside the confined space.
- (3) No person with disability, or, any pregnant woman, shall be required or allowed to enter any chamber, tank, vat, pit, pipe, flue or other confined space in any factory as referred to in subsection(1) and in any boiler furnace, boiler flue, chamber, tank, vat, pipe or other confined space in any factory as referred to in sub-Section(2).
- (4) The suitable breathing apparatus, reviving apparatus and safety harness and ropes, shall be kept for instant use in every factory and in every such confined space as referred to in subsection (1) or in clause (b) of subsection (2), which any person may enter, and all such apparatus shall be periodically examined and certified by a competent person to be fit for use; and a sufficient number of persons

Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 7 of Annexure-V)

There was a typographical error at the end of first paragraph which has been corrected.

An additional sub-section (5) has been added based on the suggestion from CIF Puducherry.

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

SECRET Page of

-13 -

employed in every factory shall be trained and practiced in the use of all such apparatus and in the method of restoring respiration. (5) The State Government may, by order in writing, exempt, subject to such conditions as it may think fit to impose, any factory or class or description of factories from compliance with any of the provisions of this section. 19. Section 37. Explosive In section 37 of the principal Act, - " The provisions of sub-section (1) of or inflammable dust. Section 37 require that all practical gas, etc. -(a) (i) in sub-section (1), for the portion measures should be taken in any (1) Where in any factory beginning with the words factory carrying on manufacturing any manufacturing manufacturing process produces" and process which products dust, gas, process produces dust, ending with the words "any such fume or vapour of such character gas, fume or vapour of explosion by-", the following shall be and to such an extent to be likely to such character and to substituted, namely: explode on ignition. There are such extent as to be situations in which vapours or likely to explode on "any manufacturing process, storage or fumes or even flammable dusts on ignition, all practicable handling of, raw material, intermediate contact with hot surface may catch measures shall be taken product or finished product produces fire without an explosion. Such to prevent any such dust, gas, fumes or vapour to such an accidents have occurred in some explosion byextent as to be likely to result in fire or As difficulties are factories. (a) effective enclosure of explosion on ignition or otherwise, all experienced to apply the provisions the plant or machinery practicable measures shall be taken to of this Section 37, if it does not used in the process; prevent any such fire or explosion byresult in an explosion, but only fire, removal (b) owing to the lack of legal validity prevention of the (ii) after clause (c), the following clause of applying the provisions for accumulation of such shall be inserted, namely:situations involving fire, dust, gas, fume or "(d) explosive gas measurement by necessity has arisen to amend subvapour; suitable and calibrated instrument, at section (1) of Section 37 to include (c) exclusion or effective such intervals as may be prescribed.", in its scope fire also. The above enclosure of all possible amendment was considered during sources of ignition. (b) after sub-section (4), the following the 41st Conference which decided sub-sections shall be inserted, namely : that the provisions of Section 37(1) (2) xx xx xx "(4A) In any factory if any flammable need to be amended and this was (3) xx xx xx gas, fume or dust is likely to be present referred to the Working Group of (4) xx xx xx in any area, the electrical equipment, The Working Group (5) xx xx xx apparatus and fittings in that area shall finalized the draft and the draft be selected, installed and maintained as amendments have been approved per the National Electrical Code and by the 42nd Conference of CIFs. shall conform to the relevant National Standards, or to an International Presently there is no provision Standard where National Standard is not stating clearly that the use of available. flameproof equipment in hazardous areas should be tested and certified (4B)The electrical equipment, approved by competent apparatus and fittings referred to in subauthorities. As a result the users section (4A), shall be duly approved are not aware of such certification. before use in factories by the "Directorate General of Occupational The inspecting authority is not Safety and Health.". aware of such equipment being

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

used in hazardous locations till their inspection. As such it cannot be fully ensured that only certified and approved equipment are used. In view of the above, the amendment is proposed. Proposed amendment has been recast by the Working Group constituted by the 41st Conference and approved by the Conference 20. 41-B.(4) In section 41B of the principal Act.-Section 41B requires Compulsory Disclosure (i) For sub section (4), the following sub submission of emergency plans of Information. section shall be substituted namely:for all hazardous factories (1) irrespective of the quantity of (2) "(4) (a). The occupier of a factory the hazardous substances (3) involved in manufacture, storage or handled bу them. It is (4) Every occupier handling such hazardous substances in proposed to limit the shall, with the approval of quantities equal to requirement of emergency or more than plan the Chief Inspector, draw such quantities as may be prescribed, to the factories using hazardous up an on-site emergency shall draw up in consultation with substance beyond a prescribed plan and detailed disaster workers representatives an on-site threshold quantity. Consultations control measures for his emergency plan and detailed disaster with workers' representative is factory and make known control measures for his factory and envisaged under the ILO to the workers employed submit the same for information of Convention No.174 which has been therein and to the general Chief Inspector and other recently ratified by the Government public living authorities as may be prescribed. $\dot{\mathrm{m}}$ vicinity of the factory the Approved by the 41st Conference. safety measures required (b) The occupier of the factory shall to be taken in the event make known to the workers of an accident taking place. employed in the factory and to the general public in the vicinity of the factory, the safety measures required to be taken in accordance with the on-site emergency plan and detailed disaster control measures drawn under sub-clause (a) above in the event of an accident taking place. Provided that the Central Government or the State Government or the Chief Inspector may, subject to the prior approval of the Central Government or the State Government, by order in writing, require any factory carrying on hazardous process, irrespective of the quantity of hazardous substances in the premises, to draw up an on-site emergency plan and disaster control

No. S-29012/1/96-ISH-II (Vol. XI) MINISTRY OF LABOUR& EMPLOYMENT

measures.".

21.	41-B(5)	In sub-section (5) -	This was an error in the Act
I		in the bootion (5)	This was an error in the Act amended in 1987.
	(5) Every occupier of a	(a) in clause (a), for the words "factory	The purpose of clause (b) of sub-
	factory shall, -	engaged", the words "factory is	section (5) is to inform the
		engaged" shall be substituted;	Chief
1	(a) if such factory	2 3	Inspector 30 days prior to the
1	engaged in a hazardous		commencement of the hazardous
	process the	2.In clause (b), before the words	process. As such the amendment
	commencement of the	'within a period of" the words "at	is necessary.
i	Factories (Amendment)	least" shall be inserted.	is noveledity.
	Act, 1987 within a period		Approved by the 41st Conference
	of thirty days of such		of Chief Inspectors of Factories.
	commencement; and]
i			
	(b) if such factory		
	proposes to engage in a		
1	hazardous process at any		
ļ	time after such		
	commencement, within a		
	period of 30 days before		
	the commencement of		
	such process, inform the		
1	Chief Inspector of the nature and details of the		
1	process in such form and		
i	in such manner as may		:
	be prescribed.		
	prosoneca.		
	(6)		
22.	41-C. Specific	In section 41C of the principal Act, in	Since the term 'hazardous
	responsibility of the	clause (a), for the words "chemical,	substance' is proposed to be
	occupier in relation to	toxic, or any other harmful substances",	defined, the section should be
	hazardous processes,-	the words "hazardous substances" shall	recast accordingly.
	Every occupier of a factory	be substituted.	
}	involving any hazardous		Approved by the 41st Conference
	process shall -		of Chief Inspectors of Factories.
	(a) maintain accurate and		
	up-to-date health records		
	or, as the case may be,		
	medical records, of the		
	workers in the factory who		
	are exposed to any		
	chemical, toxic, or any		
	other harmful substances		
	which are manufactured,		
	stored, handled or		
	transported and such		
	records shall be accessible		
	to the workers subject to		
	such conditions as may be		
	prescribed.		1

SECRET Page of

16 --

	(b)		
İ	(c)		
	(V)		
1			
23.	41-D. Power of Central	In section 41D of the principal Act, in	This was an inadvertent error in
	Government to	The state principal rice, in	
1	appoint Inquiry	(-), 201 110 1101	1987.
	Committee	"prevention of recurrence" shall be	
	(1) The Central	substituted.	Approved by the 41st Conference
	Government may, in the		of Chief Inspectors of Factories.
}	event of the occurrence		or office mapped for or 1 detories.
	of an extra-ordinary		l i
	situation involving a		
	factory engaged in a		i
	hazardous process, appoint		
	an Inquiry Committee to		
	inquire into the standards of]
	health and safety		
	observed in the		
	factory with a view to		
	finding out the causes of		
	any failure or neglect in		
	the adoption of any		
i	measures or standards prescribed for the health		
	and safety of the workers		
i	employed in the factory or		
	the general public		
	affected, or likely to be		
1	affected, due to such		
	failure or neglect and for		
	the prevention and		
	recurrence of such		
	extra-ordinary situations		
	in future in such factory		ļ .
	or elsewhere.		
			ļ
	(2)	İ	
	(3)		
24.	41-E Emergency	In section 41E of the principal Act, in	A change in the name of the
ļ ,	Standards	sub-section (1), for the words "Director-	organisation is necessitated in
	(1)	General of Factory Advice Service and	view of the following:
	(1) Where the Central	Labour Institutes", the words "Director	
	Government is satisfied	General of Occupational Safety and	1) The names DGFASLI, CLI
i	that no standards of safety	Health" shall be substituted.	and RLIS do not reflect properly
	have been prescribed in		the activities undertaken by
	respect of a hazardous		them resulting in erroneous
	process or class of hazardous process, or		understanding of the functions
	hazardous process, or where the standards so		of the organisation. At times,
	prescribed or inadequate,		the functions of the Labour
	presented of madequate,		Institutes are associated with

			functions of the organisation, then the services of the organisation can be utilised
			by all who need safety-related services thereby fulfilling the
25.	A1 F Daymicathle 11 11	To action ATT Co.	purpose and objectives of the organisation.
25.	41-FPermissible limits of exposure of chemical and toxic substances (1) The maximum	In section 41F of the principal Act, in sub-section (1), for the words and brackets "threshold limit of exposure of chemical and toxic substances in	The term "hazardous process" is presently defined in relation to industries specified in the First Schedule. The scope
	permissible threshold limits of exposure of chemical and toxic	manufacturing processes (whether hazardous or otherwise)", the words "limits of exposure of chemical and	of Section 41-F goes beyond "hazardous process" and encompasses all toxic
	substances in manufacturing processes (whether hazardous or otherwise) in any factory	toxic substances in manufacturing process" shall be substituted.	substances included in the Second Schedule irrespective of whether it is used in a "hazardous
	shall be of the value indicated in the Second Schedule.		process". Since it is proposed to define the term "hazardous process" more broadly as one in which any hazardous substance
	(2)		which any hazardous substance is used, this amendment becomes necessary. Approved by the 41st Conference
26.	Nil - New Section 41-I	After section AIU of the	of Chief Inspectors of Factories
	- A TOW DOCKING 41-1	After section 41H of the principal Act, the following section shall be inserted,	At present, under Chapter IVA of the Act the State Governments
	I		· -
		namely:-	nave no power to formulate l
		namely:-	have no power to formulate safety standards or to make rules
		·	safety standards or to make rules for regulating the
		"41-I. The Central Government or State Government may make rules —	safety standards or to make rules

· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	
	 (a) specifying standards of health and safety to be followed in hazardous process; (b) prohibiting or restricting employment of young persons, pregnant women, and any class of adult workers in manufacture, storage or handling involving hazardous process; (c) prohibiting, restricting or controlling the use of hazardous substances." 	for these purposes. Approved by the 41 st Conference of Chief Inspectors of Factories. Further, it was opined that giving powers to state and central government on same subject or under the same enabling provisions, may lead to conflicts. Therefore it
27. Section 46	For the section 46 of the principal Act, the following section shall be substituted, namely: "46. (1) In every factory wherein two hundred or more workers are ordinarily employed, there shall be provided and maintained a canteen or canteens by the occupier for the use of the workers. (2) The State Government may prescribe (a) the standards in respect of construction, location, accommodation, furniture, cleanliness and other equipment of the canteen; (b) the foodstuffs to be served therein and the charges which may be made therefore; (c) the constitution of managing committee for the canteen and representation of the workers in the management of the canteen; (d) the items of expenditure in the running of the canteen which are not to be taken into account in fixing the cost of foodstuffs and the expenditure of the items shall be borne by the occupier; (e) the periodical medical examination of canteen employees; and (f) the delegation to the Chief Inspector, subject to such conditions, as may be	1. The National Commission on Labour in its report submitted to the Govt. of India in 1969, had observed that in a unit where there is an established demand for a canteen from majority of workers, the employment limit should be brought down to 200 workers. 2. The issue was discussed in 20th, 21st, 22nd and 23rd Conferences of Chief Inspectors of Factories held in 1970,1971,1972 and 1973 respectively. It was decided to draft an amendment in light of the recommendations of National Commission on Labour the proposed amendment was sent to the Ministry for its consideration. 3. The Section 46(1) requires State Government to issue notification in the Official Gazette specifying the factories, where canteen facilities are to be provided. The notification as well as alteration if any in the notification require considerable time and administrative formalities and workers are deprived of such facilities till then.

prescribed, of the power to make rules those under Sections 45, 47 and 48 of the Act in respect of under clause (b). ambulance room, shelter, (3) The Chief Inspector may, subject to room, lunch room and creche. the Act itself such conditions as may be specified by stipulates the requirement in specified factories. him, after recording the reasons in writing relax the requirement of sub-The issue was again discussed in section (1) for a period not exceeding 36th and 37th Conferences of CIFs twelve months for existing factories to held in 1987 and 1988-89 provide the facility of canteen,". respectively. However, since the last amendments were carried out in 1987 only, the issue was deferred till next batch of amendments. 28. 47. Shelters, rest rooms In section 47 of the principal Act, -1. In light of the proposed and lunch rooms. amendments to the provisions (1) In every factory wherein (a) in sub-section (1), under Section 46, reducing the more than one hundred and applicability of canteen fifty workers are ordinarily (i) for the words "one hundred and requirement from the present 250 employed. adequate and fifty", the word "seventy five" shall be or more workers to 100 or more suitable shelters or rest rooms substituted; workers, it was felt necessary to and a suitable lunch room, revise the limit, for rest room, with provision for drinking (ii) for the words "suitable shelters or shelter and lunch room. water, where workers can eat rest rooms", the words "suitable and meals brought by them, shall The issue was discussed in the 44th separate shelters or rest rooms for male be provided and maintained Conference and it was approved to for the use of the workers: female workers" shall reduce the limit to 50 workers. substituted; Provided that any canteen 2. The Sub-Group I of Task Force on maintained in accordance (iii) in the first proviso, for the words women and child development with the provisions of section "as part of the requirements", the words recommended separate shelters / rest 46 shall be regarded as part "as part of requirement relating to the rooms for male and female workers to of the requirements of the ensure privacy and better relaxation lunch room2 shall be substituted. sub-section: amongst the workers of both sex. This is also in line with the separate (b) after sub-section (3), the following Provided further that where a facilities for urinals, washing places sub-section shall be inserted, namely : lunch room exists no worker as provided under Sections 19 and 42 shall eat any food in the of the Factories Act. workroom. "(4) The Chief Inspector may, subject to 3. The expression 'as part of the such conditions as may be specified by requirement was not explanatory him, after recording the reasons, relax enough to specify it as 'lunch the requirement of sub-section (1), for a room'. period not exceeding twelve months for Approved by the 41st Conference of existing factories to provide the facility Chief Inspectors of Factories. of shelters, restrooms and lunch rooms.".

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

29.	56. Spreadover — The periods of work of an adult worker in a factory shall be so arranged that inclusive of his intervals for rest under section 55, they shall not spreadover more than ten and a half hours in any day. Provided that the Chief Inspector may, for reasons to be specified in writing increased the spreadover upto twelve hours.	first proviso would be inserted a under:- "Provided that where the State Government is satisfied, it may, by notification in the Official Gazette increase the period of spreadover upto twelve hours in a factory or group of class or description.	view of the special requirement of certain classes of industry.
31.	New Insertion in Section 59	In section 59 of the principal Act, after sub-section (5), the following Explanation shall be inserted, namely:- 'Explanation – For the purposes of this section, the term "such allowances" means all allowances except those of complimentary in nature such as house rent allowance, transport and small family allowance'.	
h e q	exempting rules (1) xx xx xx (2) xx xx xx (3) xx xx xx (4) (i) xx xx xx (ii) xx xx xx (iii) xx xx xx (iv) the total number of nours of overtime shall not exceed fifty for any one quarter. 5) Rules made under this ection shall remain in orce for not more than five ears.		I. The need for increasing the limit of overtime work beyond 75 per quarter prescribed under subsection (2) of Section 65 was discussed in the 43 rd Conference of CIFs. The maximum permissible overtime work up to 75 hours per quarter was felt inadequate for some exceptional work such as in Govt. presses where the workers are pressed in service for completion of urgent jobs like printing of ballot papers, budget books, annual plan and five year plan documents, etc. within a short period of time. It was decided to enhance the limit under Section 65(2) from 75 up to 100 hours per quarter with exempting powers to State Governments / CIFs subject to the control of State Govt. Further extension of overtime up to 120 hours per quarter for the purpose of national imperative as prescribed was also proposed in the Act.

Conference, it is felt necessary to enhance the limit of overtime prescribed in Section 64(4) also. 2. The need for deleting the validity period of the Rules made under Section 64(5) was discussed during the 41st Conference and 42nd Conference. The delay caused due to administrative exigencies in renotifying the set of Rules at the end of five years or making changes in that and the legal implications of the delay resulting in the rules losing its force of law was deliberated. In view of this, it was decided for deleting the requirements under sub-section (5) of Section 64. As such this can be deleted from the Act in order to prevent any legal implication. Accordingly the OT limit is proposed to be increased from 50 hrs to 100 hrs with deletion of subsection(5). 32. Power ŧο make In section 65 of the principal Act, in The need for increasing the limit of exempting orders.sub-section (3), in clause (iv), --overtime work beyond 75 per (1) xx - xxquarter prescribed under sub-(2) xx xx $\chi\chi$ (a) for the words "seventy-five", the section (2) of Section 65 was (3) (i) xx xxХX words "one hundred and fifteen" shall discussed in the 43rd Conference of (ii) xx xx ХX be substituted; CIFs. The maximum permissible (iii) XX XX хx overtime work up to 75 hours per (iv) no worker shall be (b) after Explanation, the following quarter was felt inadequate for allowed to work overtime, proviso shall be inserted, namely: some exceptional work such as in for more than seven days at Govt. press where the workers are a stretch and the total pressed in service for completion of "Provided that the State Government or number of hours urgent jobs like printing of ballot overtime work in any the Chief Inspector may, subject to the papers, budget books, annual plan quarter shall not exceed prior approval of the State Government, and five year plan documents, etc. seventy-five. by order further enhance the total within a short period of time. It number of hours of overtime work in was decided to enhance the limit any quarter to one hundred and twentyunder Section 65(2) from 75 up to 100 hours per quarter with five in the public interest.". exempting powers to Governments/ CIFs subject to the control of State Govt. Further extension of overtime up to 120 hours per quarter for the purpose of national imperative as prescribed was also proposed in the Act. Further the matter was discussed in depth and it was proposed to

No. S-29012/I/96-ISH-II (Vol. XI) MINIS

MINISTRY OF LABOUR& EMPLOYMENT

increase the OT limit under Section 65 from 75 per quarter to 115 per quarter. 33. Section-66 Further For section 66 of the principal Act, the Many women's organisations have restriction following section shall be substituted, filed writ petitions in High Courts employment of women: namely:--of Chennai, Andhra Pradesh, Maharashtra challenging that the (1)The provisions of this provisions contained in Section 66 "66. The provisions of this Chapter chapter shall, in their are discriminatory and biased. shall, in their application to women in Some of the High Courts have application to women in factories, be supplemented by the allowed employment of women factories, be supplemented following further restrictions, namely,during night shifts. The ILO had by the following further adopted a protocol relating to Night restrictions, namely:-(a) no exemption from the provisions of Work (Women) Convention section 54 may be granted in respect of (Revised). 1948, under the (a) no exemption any women; provision of the protocol the from the provisions of competent authority is a country Section 54 mav (b) there shall be no change of shifts national law under the granted in respect of any except after a weekly holiday or any regulation is authorized to modify women. the duration of the night shifts or to other holiday; and no women shall be introduce exemption from required or allowed to provisions within certain limits. (c) no woman shall be required or work in any factory allowed to work in any factory except except between the hours This will also provide flexibility in between the hours of 6 A.M. and 7.P.M: of 6 A.M. and 7 P.M. the matter of employment of women during night. Provided that the State "Provided that Government where the may, State Government or any person, authorised notification in the Official by it in this behalf, is satisfied that Gazette, in respect of any adequate safeguards exist in a factory or factory or group or class or group or class or description of description of factories, factories as regards occupational safety vary the limits laid down in and health, provision of shelter, rest clause (b), but so that no rooms, lunch rooms, night crèches and such variation shall ladies' toilets, equal opportunity for authorize the employment women workers, adequate protection of of any woman between the their dignity, honour and safety, hours of 10 P.M. and 5 protection from sexual harassment, and A.M. their transportation from the factory (c) there shall be no premises to the nearest point of their change of shift except residence, it may, by notification in the after a weekly holiday or Official Gazette, after due consultation any other holiday. with, and obtaining the consent of, the women workers, workers, the employer, (2)The State representative organisation of the Government may make employer and representative

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

rules providing for organisation of workers of the exemption from the concerned factory, allow women to restrictions set out in subwork between 7.00 P.M. and 6.00 A.M. Sec.(1), to such extent and in such factory subject to such subject to such conditions conditions as may be specified therein: as it may prescribe, of Provided women working in fishfurther that no permission shall be granted to a woman curing fish-canning worker during a period of sixteen weeks factories. where the before and after her childbirth, of which employment of women beyond the hours specified at least eight weeks shall be before the in the said restrictions is expected childbirth, and for such additional period, if any, as specified in necessary to prevent the medical certificate stating that it is damage to, or deterioration necessary for the health of the woman in, any raw material. worker or her child: Provided also that the restriction (3)The rules made contained in the preceding proviso may under sub-section (2) be relaxed at the express request of a shall remain in force for woman worker on the basis of the not more than three medical certificate stating that neither years at a time. her health nor that of her child will be endangered." 34 76. Power to make Clause (b) may be omitted. The issue relating rules.prescription of physical standards The State Government to be attained by may make rules children and adolescents working in factories, have been carefully examined in. (a) prescribing the forms the light of the need expressed of certificates of fitness to during the 41st Conference be granted under section CIFs. Based on the medical 69, providing for the grant 42nd Conference opinion, the of duplicates in the event decided that it would not be of loss of the original possible to certificates, and fixing the prescribe such physical standards in view of the fees which may be differing nature of charged work for such factories certificates and renewals and diverse anthropological and physiological thereof and such conditions obtaining in the duplicates: country. prescribing the Accordingly, the clause (b) of physical standards to be Section 76 will be deleted. attained by children and adolescents working factories; (c) regulating the procedure of certifying surgeons under this Chapter;

No. S-29012/1/96-ISH-II (Vol. XI) MINISTRY OF LABOUR& EMPLOYMENT

36.	(d) specifying other duties which certifying surgeons may be required to perform in connection with the employment of young person in factories and fixing the fees which may be charged for such duties and the persons by whom they shall be payable. 77. Certain other provisions of law not barred The provisions of this Chapter shall be in addition to, and not in derogation of, the provisions of the Employment of Children Act, 1938 (XXVI of 1938). 79. Annual Leave with wages (1) Every worker who has worked for a period of 240 days or more in a factory during a calendar year shall be allowed during the subsequent calendar year leave with wages for a number of days calculated at the rate of - (i) if an adult, one day for every twenty days of work performed by him during the previous calendar year; (ii) if a child, one day for every fifteen days of work performed by him during the previous calendar year. Explanation 1 For the purpose of this Section -	The issues relating to the qualifying period of 240 days was discussed during the Working Group meeting at Hyderabad as well as during the 41 st Conference and it was decided that lot of difficulties are caused to the Badli workers who are unable to enjoy the leave with wages for not being able to perform the required number of days of work for no fault of theirs. Further, other situations also necessitate that the qualifying period need to be deleted. Even though the provisions of Section 79 are in line with the ILO Convention on Holidays with Pay, the amendment deleting the qualifying period of 240 days would be a progressive one and not in any way be derogatory to
	the previous calendar year. Explanation 1 For the	amendment deleting the qualifying period of 240 days would be a progressive one and
	(b) in the case of female worker, maternity leave for any number of days not exceeding twelve weeks;	Further in the meeting held in the Ministry of Labour & Employment on 16.7.2007, it was opined that removal of qualifying period would not be a desirable

and step. It would be better if some reasonable period is prescribed. (c) the leave earned in the year prior to that in which the leave is enjoyed: shall be deemed to be days on which the worker has worked in a factory for the purpose of computation of the period of 240 days or more, but he shall not earn leave for these days. (2)A worker whose service commences otherwise than on the first day of January, shall be entitled to leave with wages at the rate laid down in clause (i) or as the case may be, clause (ii) of Sub-Section (1) if he has worked for two thirds of the total number of days in the remainder of the calendar year. 37. Section 87. Dangerous For clause (b) of Section 87 the following The Sub Group I of Task Force on operations,clause will be substituted: women and child development Where the State recommended for restricting the Government is In clause (b) for the words "women, of employment only for pregnant opinion that adolescents or children" the words, any women, person with disability and manufacturing process "young person or a woman or a person young person below the age of 18 or operation carried on with disabilities" shall be substituted. years. This was suggested in order in a factory exposes any to promote gender equality at the persons employed in it work place. to a serious risk of bodily injury, poisoning However based on the comments or disease, it may order received from various Ministries/ or make rules applicable Departments and States, it is felt to any factory or class or that the power for restriction / description of factories prohibition may be in respect of all in which manufacturing women workers rather than only for process or operation is pregnant women workers. carried on -(a) specifying the manufacturing process or operation and declaring it to be dangerous; (b) prohibiting or restricting the employment of women, adolescents or children in

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

	the manufacturing process or operation;		
38.	89. Notice of certain discases (1) (2) (3) (4) If any medical practitioner fails to comply with the provisions of sub-section (2), he shall be punishable with fine which may extend to one thousand rupees. (5)	Sub-section (4) may be omitted.	This is consequential to introduction of new Section 92-B where consolidated penal provisions are available. Approved by the 41st Conference of Chief Inspectors of Factories.
39.	91A - Safety and Occupational Health Surveys (1) The Chief Inspector, or the Director General Factory Advice Service and Labour Institutes or the Director-General Health Services, to the Government of India, or such other persons as may be authorised in this behalf by the State Government or the Chief Inspector or the Director General of Factory Advice Service and Labour Institutes or the Director-General of Health Services may, at any time during the normal working hours of a factory, or at any other time as is found by him to be necessary, after giving notice in writing to the occupier or manager of the factory or any other person who for	In Sub-Section (1) for the words "Director General of Factory Advice Service & Labour Institutes", the words "Director General of Occupational Safety and Health" may be substituted.	A change in the name of the organisation is necessitated in view of the following: 1. The name DGFASLI, CLI and RLIs do not reflect properly the activities undertaken by them resulting in erroneous understanding of the function of the organisation. At times, the function of the Labour Institutes are associated with matters concerned with Labour relations for which separate institutions are available. 2. Various National and International agencies of repute referred to this organisation, other labour related matters not concerning with Safety, Health as existing name gives a different perception altogether and does not truly reflect the nature or activities carried out by the organisation. 3. If the name of the organisation is changed to reflect properly the activities and

the time being purports to be in charge of the factory, undertake safety and occupational health surveys and such occupier or manager or other person shall afford all facilities for such survey, including facilities for the examination and testing of plant and machinery and collection of samples and other data relevant to the survey.

functions of the organisation, then the services of the organisation can be utilized by all who need safety related services thereby fulfilling the purpose and objectives of the organisation.

40. 92. General penalty for offences.-Save as is otherwise expressly provided in this Act and subject to the provisions of section 93, if in, or in respect of any factory there is any contravention of any of the provisions of this Act or of any rule made thereunder or of any order in writing given thereunder, the occupier and manager of the factory shall each be guilty of an offence and punishable with imprisonment for a term which may extend to two years or with fine which may extend to one lakh rupees or with both and if contravention continued after conviction, with a further fine which may extend to one thousand rupees for each day on which. the contravention is continued.

Provided that where contravention of any of the provisions of Chapter IV or any rule made thereunder or under section 87 has resulted in an accident causing death or serious bodily injury, the fine shall not be less than twenty-five

1. The existing Section 92 may be substituted by the following: -

92. General penalty for offences .-(1)Save as otherwise expressly provided in this Act and subject to the provisions of section 93, if in, or in respect of, any factory there is any contravention of the provisions of Chapters I, III (except sections 11, 18, 19 and 20), IV, IVA (except sections 41B, 41C and 41H), VII and IX (except section 89) of this Act or of any rules made thereunder or any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of an offence and punishable with imprisonment for a term which may extend to two years or with fine which may extend to three lakh rupees or with both, and in any case it shall not be less than thirty thousand rupees:

Provided that where the contravention of any of the provisions of the Chapters referred to in sub-section (I) or rules made there under has resulted in an accident causing death or serious bodily injury, the fine shall not be less than seventy-five thousand rupees.

(2) If the contravention is continued after conviction under sub-section (1), then the occupier and manager of the factory shall each be guilty of an offence and punishable with a further fine which shall not be less than two thousand rupees for each day on which the contravention is so continued.

CIF, UP raised the issue regarding imposition of less penalty by the Courts in the cases filed under Section 92 of the Factories Act to the 41st Conference of CIFs and expressed desirability prescribing minimum penalty in the case of contravention to certain provisions relating to safety and health of the workers. The matter was discussed in the 41st and 42nd Conferences and a Working Group was set up by the 42nd Conference. The Working Group discussed the criteria for classification offences and corresponding penalties and it was decided that the offences should be classified into two categories - (1) with fine and (2) with fine and imprisonment. The Working Group drafted the proposed amendment, which was approved by the 43rd Conference of Chief Inspectors of Factories.

In addition to the above, the Ministry of Labour constituted a Committee for review of administrative laws concerning Ministry of Labour. The Committee submitted its report regarding amendments to the Factories Act and recommended that Section 92 and 93 of the Factories Act may be amended suitably regarding classification/ compounding οf offences. It is proposed to consolidate the provisions relating to penalties for violation of various

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

thousand rupees in the case of an accident death, and five thousand rupees in the case of an accident causing serious bodily injury.

Explanation.-Ιn this section and in section 94 "serious bodily injury" means an injury which involves. or in all probability will involve, the permanent loss of the use of, or permanent injury to, any limb or the permanent loss of, or injury to, sight or hearing, or the fracture of any bone, but shall not include the fracture of bone or joint (not being fracture of more than one bone or joint) of any phalanges of the hand or foot.

(3) In respect of any contravention of any of the provisions of this Act or of any rules made there under or any order in writing given there under other than those mentioned under sub-section (1), for which no penalty has been provided the occupier and manager of the factory shall each be guilty of an offence and punishable with fine which may extend to one lakh fifty thousand rupees and if the contravention is continued after conviction, with a further fine which shall not be less than one thousand rupees for each day on which the contravention is so continued.

Explanation.- For the purposes of this section "serious bodily injury" means an injury which involves, or in all probability will involve, the permanent loss of the use of, or permanent injury to, any limb or the permanent loss of, or injury to, sight or hearing, or the fracture of any bone, but shall not include the fracture of bone or joint (not being fracture of more than one bone or joint) of any phalanges of the hand or foot.

2. After Section 92, the following sections may be inserted:-

92A. Penalties for offences by persons other than occupier.

If any person, who designs, manufactures imports or supplies any article or substance for use in a factory and contravenes any of the provisions of section 7B, he shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to three lakh rupees or with both.

92B. Penalties in certain other cases.

(1) If any worker employed in a factory

provisions of the Act by a person other than an occupier in Chapter X (Penalties and Procedures). It is also proposed to impose a penalty for smoking in contravention of the provisions of the proposed new Section 20A.

Similarly, penalty provision for contravention of Section 7B is also provided. Opportunity is also taken to enhance the penalty in case of breach of Section 20(3).

Approved by the 41st Conference of Chief Inspectors of Pactories.

Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 10 of Annexure-V)

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

SECRET
Pageof

-25-

spits in contravention of sub-section (3) of section 20, he shall be punishable with fine not exceeding one hundred rupees.

- (2) If any medical practitioner fails to comply with the provisions of subsection (2) of section 89, he shall be punishable with fine which may extend to three thousand rupees.
- (3) If any worker employed in a factory contravenes the provisions of subsection (1) of section 97 or section 111 or of any rule or order made thereunder, he shall be punishable with fine which may extend to one thousand five hundred rupces.

92 C. Compounding of certain offences

(1) The Central Government and State Government may, by notification in the Official Gazette, prescribe in respect of the offences specified in the Fourth Schedule, which may before the institution of the prosecution, be compounded by such officers or authorities and for such amount as prescribed:

Provided that the Central Government or the State Government, as the case may be, may, by notification in the official Gazette, amend the Fourth Schedule by way of addition, omission or variation of any offence specified in the said Schedule.

(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.

The word 'and' has been replaced with the word 'or' to correct the mistake.

No. S-29012/1/96-ISH-II (Vol. XI) MINISTRY OF LABOUR& EMPLOYMENT

- 41. 93. Liability of owner of premises in certain circumstances.-
 - (1) Where in any premises separate buildings leased to different occupiers for use as separate factories. the owner of the premises shall be responsible for the provisions and maintenance of common facilities and services such as approach roads, drainage, water supply, lighting and sanitation.
 - (2) The Chief Inspector shall have, subject to the control of the State Government, power to issue orders to the owner of the premises in respect of the carrying out of the provisions of sub-section (12).
 - (3) Where in any premises, independent or contained, floors or flats are leased tα different occupiers for use as separate factories, the owner of the premises shall be liable as if he were the occupier or manager of a factory, of any contravention of the provisions of this Act in respect of -
 - latrines, urinals and washing facilities in so far as the maintenance of the common supply of water for these purposes is concerned;
 - (ii) fencing of machinery and plant belonging to the owner and not specifically entrusted to the custody or use of an occupier;

- The existing Section 93 may be substituted by the following:
- 93. Liability of owner of premises in certain circumstances (1) Where in any premises separate buildings are leased to different occupiers for use as separate factories, the owner of the premises shall be responsible for provision and maintenance of —
- (i) common facilities and services such as approach roads, drainage, water supply, lighting and sanitation;
- (iii) adequate staircases;
- (iii) precaution in case of fire;
- (iv) ensuring structural stability;
- (v) hoists and lifts; and
- (vi) any other common facilities.
- (2) Where in any premises, independent or self-contained floors or flats, compartments, rooms, galas, sheds are used as separate factories, the owner of the premises shall be responsible for the provision and maintenance of –
- (i) latrines, urinals and washing facilities;
- (ii) safety of machinery and plant installed in the common place or location of an occupier;
- (iii) safe means of access to floors or flats, compartments, rooms, galas, sheds and maintenance and cleanliness of staircases and common passages;
- (iv) precautions in case of fire;
- (v) hoists and lifts:
- (vi) prohibition of the common passages, balconies, verandas, access space, staircases and such other common spaces for use of any activity

The issue relating to inclusion of rented or otherwise let out or given buildings to different occupiers for use as 'factory' was raised by the CIF, West Bengal in the 41st The matter was Conference, discussed in the 41st and 42nd Conferences and was referred to a Working Group constituted by the 42nd Conference. The Working Group drafted the proposed amendment, which was approved by the 43rd Conference.

In addition to the above, the Ministry of Labour constituted a Committee for review of administrative laws concerning Ministry of Labour. The Committee submitted its report regarding amendment to the Factories Act and recommended that Sections 92 and 93 of the Factories Act may be amended suitably regarding classification/ compounding of offences.

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

- (iii) safe means of access to the floors of flats and maintenance and cleanliness staircases and common passages;
- (iv) precautions in case of fire:
- (v) maintenance of hoists and lifts; and
- (vi) maintenance of any other common facilities provided in the premises.
- (4) The Chief Inspector shall have, subject to the control of the State Government power to issue orders to the owner of the premises in respect of the carrying out the provisions of sub-section (3).
- (5) The provisions of subsection (3) relating to the liability of the owner shall apply where in any premises independent rooms with common latrines, urinals and washing facilities are leased to different occupiers for use as separate factories:

Provided that the owner shall be responsible also for complying with requirements relating to the provisions and maintenance of latrines, urinals and washing facilities.

(6) The Chief Inspector shall have, subject to the control. of the State Government, the power to issue order to the owner of the premises referred to in sub-section (5) in respect of the carrying out of the provisions of section 46 or section 48.

not intended in such spaces;

- (vii) ensuring structural stability; and
- (viii) any other common facilities provided in the premises.
- (3) The owner of premises shall be responsible for provision, maintenance or arrangement for any other facility which may be required but not specified in sub- sections (1) and (2) above.
- (4) The Chief Inspector shall have, subject to the control of the State Government, the power to issue orders to the owner of the premises referred to in sub-sections (1) and (2) in respect of the carrying out of the provisions of section 46 or section 47 or section 48.
- (5) In respect of sub-section (3) while computing for the purposes of any of the provisions of this Act, the total number of workers employed in the whole of the premises shall be deemed to be in a single factory.
- (6) The owner of the premises shall be liable for any contravention of any of the provisions of this section, as if he were the occupier or manager of a factory, and shall be punishable in accordance with the provisions of section 92.

Explanation.—For the purposes of this section, "owner" shall include promoter, co-operative society, trust, receiver, special officer, as the case may be.".

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

Page of

-32-

SECRET

(7) Where in any premises or a room or a shed are leased to different occupiers for use as separate factories, the owner of the premises shall be liable for any contravention of the provisions of— (i) Chapter III, except sections 14 and 15; (ii) Chapter IV, except sections 22,2423,27,34,35 and 36; Provided that in respect of the provisions of sections 21, 24 and 32 the owner's liability shall be only in so far as such provisions relate to things under his control; Provided further that the occupier shall be responsible for complying with the provisions of Chapter IV in respect of plant and machinery belonging to or supplied by him. (8) The Chief Inspector shall have, subject to the control of the State Government, power to issue order to the owner of the premises in respect of carrying out the provision of sub-section (7). (9) In respect of sub-section (5) and (7) while	
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	1
computing for the purposes	- [
of any of the provisions of	
this Act the total number of	- 1
workers employed, the	
whole of the premises shall	l
be deemed to be a single	
factory.	
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to

42. 94. Enhanced penalty after previous conviction.-

(1) If any person who has been convicted of any offence punishable under section 92 is again guilty of an offence involving a contravention of the same provisions he shall be punishable on a subsequent conviction with imprisonment for a term which may extend to three years or with fine which shall not be less than ten thousand rupees but which may extend to two lakhs rupees or with both:

Provided that the court may, for any adequate and special reasons to be mentioned in the judgement impose a fine of less than ten thousand rupees:

Provided further that where contravention of any of the provision of Chapter IV or any rule made thereunder or under section 87 has resulted in an accident causing death or serious bodily injury, the fine shall not be less than thirty-five thousand rupees in the case of an accident causing death and ten thousand rupees in case of an accident causing serious bodily injury.

(2) For the purposes of subsection (1), no cognizance shall be taken of any conviction made more than two years before the commission of the offence for which the person is subsequently being convicted.

In sub-section (1), —

(i) for the words "ten thousand rupees but which may extend to two lakh rupees", the words "forty thousand rupees which may extend to six lakh rupees" shall be substituted;

- (ii) in the first proviso, for the words "ten thousand rupees", the words "forty thousand rupees" shall be substituted;
- (iii) for the second proviso, the following proviso shall be substituted, namely: -

"Provided further that where contravention of any of the provisions of the Chapters mentioned in subsection (1) of section 92 or of any rules made there under has resulted in an accident causing death or serious bodily injury, the fine shall not be less than one lakh rupees."

- (b) after sub-section (1), as so amended, the following sub-section shall be inserted, namely—
- "(1A) If any person who has been convicted of any offence punishable under section 92A is again guilty of an offence involving a contravention of the same provision, he shall be punishable on a subsequent conviction,-
- (i) in case of contravention of subsection (I) of section 92A, with imprisonment for a term which may extend to one year or with fine which shall not be less than forty thousand rupees but which may extend to five lakh rupees or with both; and
- (ii) in case of contravention of subsection (2) of section 92A, with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees or

Consequential amendment enhance fine amount.

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

r -		with both;";	
		(c) in sub-section (2), after the words,	
		bracket and figure "sub-section (1)", the	
		words, bracket, figure and letter "and	
		sub-section (IA)" shall be inserted.	1
		sas societi (171) shan be inscribe.	
43.	95. Penalty for	Section 95 may be substituted as	
]	obstructing inspector Whoever wilfully obstructs	follows:-	
	an Inspector in the exercise of	"Whoever wilfully obstructs on Younget	Table
İ	any power conferred on him	"Whoever wilfully obstructs an Inspector in the exercise of any power conferred on	It is necessary for the occupier to
	by or under this Act, or fails	him by or under this Act or fails to produce	provide necessary assistance in carrying out the duties by the
	to produce on demand by an	on demand by an Inspector any registers or	inspector.
	Inspector any register or	other documents in his custody kept in	
	other documents in his	pursuance of this Act or of any rules made	
	custody kept in pursuance of this Act or of any rules made	thereunder or conceals or prevents any	It is a consequential amendment,
	thereunder, or conceals or	worker in a factory from appearing before, or being examined by an Inspector, or does	raising the fine amount.
	prevents any workers, in a	not provide reasonable and necessary	1
	factory from appearing	assistance or co-operation to an Inspector	
	before, or being examined	in reaching the concern spot, branch,	
	by, an inspector, shall be	section, department in a factory, or	
	punishable with imprisonment for a term	conceals any fact or figures required for	
	which may extend to six	effective implementation of the provisions	
	months or with fine which	of the Act, shall be punishable with imprisonment for a term which may	
	may extend to ten thousand	extend to six months or with fine which	
	rupees or with both.	may extend to thirty thousand rupees or	
44.	06 70 16	with both".	
44.	96. Penalty for wrongfully disclosing	96. Penalty for wrongfully disclosing	It is a consequential amendment,
	results of analysis under	results of analysis under section 91	raising the fine amount.
	section 91		
	Whoever, except in so far	In the last sentence of the provision, for	
	as it may be necessary for	the words "ten thousand rupees", the	
	the purposes of a prosecution for any offence	words "thirty thousand rupees" may be	
	punishable under this Act,	substituted.	
	publishes or discloses to		
	any person the results of an		
	analysis made under section		
	91, shall be punishable with		
	imprisonment for a term, which may extend to six		ļ
	months or with fine, which	·	
	may extend to ten		
}	thousand rupees or with		
	both,		
45.	96-A. Penalty for	96-A. Penalty for contravention of the	It is a consequential amendment,
	contravention of the	provisions of Section 41 B, 41 C and	raising the fine amount.
	provisions of Section 41 B, 41 C and 41 H.	41 H.	ļ
l	- Cond Till,		

SECRET

Page of

(1) whoever fails to comply with or contravenes any of the provisions of sections 41B, 41C or 41H or the rules made thereunder, shall, in respect of such failure or contravention, be punishable with imprisonment for a term which may extend to seven years and with fine with may extend to two lakh rupees, and in case the failure or contravention continues, with additional fine which may extend to five thousand rupees for every day during which failure such contravention continues after the conviction for the

For the words "two lakh rupees" the words "six lakh rupees may be substituted. And for the words "five thousand rupees"," the words "fifteen thousand rupees" may be substituted.

contravention. (2) If the failure or contravention referred to in sub-section (1) continues beyond a period of one year after the date of conviction, the offender shall be punishable with imprisonment for a term which may extend to ten years.

first such failure or

In Section 97, the existing sub-section (1) shall be substituted by the following, namely -

"(1) Subject to the provisions of Section 111, no worker employed in a factory shall contravene any provisions of this Act or any rule or order made thereunder, imposing any duty or liability on the workers".

All the penalty provisions are being brought under one Section, i.e. Section 92, 92-A & 92-B.

The penalty provisions of Section has also been incorporated there. In view of this it became necessary to recast this Section.

Approved by the 41st Conference of Chief Inspectors of Factories.

46.

(1) Subject to the provisions of Section 111, if any worker employed in a factory contravenes any provision of this Act or any rules or orders made thereunder, imposing any duty or liability on workers he shall be punishable with fine which may extend to five hundred rupees.

97. Offences by Workers.-

No. S-29012/1/96-ISH-II (Vol. XI)

MINISTRY OF LABOUR& EMPLOYMENT

SECRET

Page of

47	08 Populte F		
7'	98. Penalty for using false certificate of fitness		. It is a consequential amendment,
ĺ	Whoever knowingly uses or	Of lifness	raising the fine amount.
- 1	attoronta to		}
į	attempts to use, as a certificate of fitness granted	The was positioned, for the Words, the	e
	to himself and a set in To		
ļ	to himself under section 70, a	thousand rupees" may be substituted.	İ
İ	certificate granted to another		
	person under that section, or		i
-	who, having procured such a		
1	certificate, knowingly allow		Ì
	it to be used, at an attempt to		i
· [use it to be made by, another		
	person, shall be punishable		1
- [with imprisonment for a		
	term, which may extend to		
-	two months or with fine		
1	which may extend to one		
	thousand rupees or with both.		1
	boin.		
48.	00 P		[
70.	99. Penalty for permitting	99. Penalty for permitting double	It is a consequential amendment,
1	double employment of child	employment of child	raising the fine amount.
	·-		and amount.
]	If a child works in a factory		
1	on any day on which he has	In the last sentence, for the words "one	
	already been working in	thousand rupees", the words "three	
	another factory, the parent	thousand rupees" may be substituted.	
1	or guardian of the child or the person having custody		
1	of or control over him or		
1	obtaining any direct benefit		
1	from his wages, shall be		
ļ	punishable with fine which		į
ĺ	may extend to one		
l	thousand rupees, unless it		
İ	appears to the Court that		
	the child so worked without		
i	the consent or connivance		
	of such parent, guardian or		
	person		}
49.		In gastion 103 (5)	
		In section 102 (2) the words "one	In Section 102, relating to Power of
	3Y21	hundred rupees" may be substituted by	Court to make orders, the subsection
i	under sub-section (1) the	the words "three hundred rupees".	(2), stipulates that if the occupier or
	occupier or manager of the		manager do not comply with the
	factory, as the case may be,		conditions specified in the Court
	shall be not be liable	İ	Order, within the stipulated period
· [to pay such fine, as		they shall be punishable with
	aforesaid.	j	imprisonment for a term which may
,			extend to six months or with a fine
	j		which may extend to one hundred
ļ	1		rupees per day or both. Inadvertently.
	İ		the amount of fine specified was not
	· ·		revised as done in other sections.
			Therefore, it is proposed to revise the
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50.	When any act or omission would, if a person were under a certain age, be an offence punishable under this Act, and such person is in the opinion of the Court prima facie under such age, the burden shall be on the accused to prove that such persons is not under such age. (2) A declaration in writing by a certifying surgeon relating to a worker that he has personally examined him and believes him to be under the age stated in such declaration shall, for the purposes of this Act and the rules made thereunder, be admissible	substituted by	discussed during the Working Group meeting and a draft amendment was examined by a core group and discussed during the 42 nd Conference. It was further vetted by DGFASLI. This amendment is of very urgent nature as this relates to the employment of child labour and certificate of age, as courts in some instances did not accept the certificate of age issued by the Certifying Surgeon as a final and conclusive proof as to the age of a child. A draft amendment was framed by the Working Group constituted by the 41 st Conference of Chief Inspectors of Factories and the amendment has been approved by the 42 nd Conference of Chief
	worker that he has personally examined him and believes him to be under the age stated in such declaration shall, for the purposes of this Act and the rules made thereunder, be admissible as evidence of the age of	purposes of this Act and rules made there under, be conclusive evidence as	Surgeon as a final and conclusive proof as to the age of a child. A draft amendment was framed by the Working Group constituted by the 41 st Conference of Chief Inspectors of Factories and the amendment has been approved.
	that worker. 111. Obligation of workers (1) (2) If any worker employed in a factory contravenes any of the provisions of this section or of any rule or order made thereunder, he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one hundred rupees, or with both.	In Section 111, sub-section (2) shall be omitted.	This is consequential to introduction of new Section 92-B. Approved by the 41 st Conference.

52.	Nil - New Section 112A	After Section 112, a new Section 112A to empower the Central Government to make rules may be inserted as follows: "112A. Power to make rules by the Central Government "112A. (I) The Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of this Act. (2) Every rule made by the Central Government shall be laid, as soon as, may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."	The Conference of State Labour Ministers held in November 7, 1988 felt that there should be uniform rules under the Act throughout the country on important aspects of occupational safety and health. The Central Government should therefore have the power to frame rules under the Act apart from the State Governments which have power under Section 112 of the Act. The Central Government should, however, finalise the Rules after consultation with the State Government. The Conference also recommended that provisions should be made to avoid conflict between the Central and the State Rules (in the same manner as legislation in the concurrent field). Approved by the 41st Conference of Chief Inspectors of Factories. Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 3 of Annexure-V)
53,	First Schedule	First Schedule may be omitted.	In light of the proposed amendment to the definition of hazardous process under Section 2(cb), the First Schedule is omitted.
54.	New proposal	The Fourth Schedule on "Compoundable Offences" may be added.	Based on the decision of the Committee of Secretaries the proposal has been modified. (Please see Item 10 of Annexure-V)

2. N	Nil - New Section 112A	Alter Section 112, which Sentral	see Item 3 of Annexure-V)
53.	First Schedule	First Schedule may be omitted.	In light of the proposed amendment to the definition of hazardous process under Section 2(cb), the First Schedule is omitted.
54.	New proposal	The Fourth Schedule or "Compoundable Offences" may be added.	n Based on the decision of the