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PART V.—Acts of the Parliament of India assented to by the President and Acts enacted and Ordinances promulgated by the President.

GOVERNMENT OF INDIA

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 28th August, 1971 Bhadra 6, 1893 (Saka).

The following President's Act enacted on the 28th August, 1971, is published for general information:—

THE INDUSTRIAL DISPUTES (WEST BENGAL AMENDMENT) ACT, 1971.

No. 8 of 1971

Enacted by the President in the Twenty-second Year of the Republic of India.

An Act further to amend the Industrial Disputes Act. 1947, in its application to the State of West Bengal.

In exercise of the powers conferred by section 3 of the West Bengal State Legislature (Delegation of Powers) Act, 1971, the President is pleased to enact as follows:—-

- 1. This Act may be called the Industrial Disputes: (West Short title, Bengal Amendment) Act, 1971.
- 2. The Industrial Disputes Act, 1947 (hereinafter referragelication as the principal Act), shall, in its application to the tion. State of West Bengal, be amended for the purpose and in the manner hereinafter provided.

Insertion of new section 25FFA.

3. After section 25FF of the principal Act, the following section shall be inserted, namely:

resixty days' notice to be given of intention to close down an undertaking shall serve, at least sixty days before the date on which the intended closure is to become effective, a notice, in the prescribed manner, on the State Government stating clearly the reasons for the intended closure of the under-

Provided that nothing in this section shall apply to-

taking:

- (a) an undertaking in which not more than fifty workmen are employed or were employed on any day of the preceding twelve months;
- (b) a branch establishment, in the State of West Bengal, of-
 - (i) an establishment, being a company registered 1 of 1956, under the Companies Act, 1956, having registered office outside the said State, or
 - (ii) any other establishment, having head office outside the said State,

where the closure of such branch establishment has become necessary consequent on the closure of the registered office or the head office, as the case may be, of that establishment or that other establishment.

(2) Notwithstanding anything contained in sub-section (1), the State Government may, if it is satisfied that owing to such exceptional circumstances as accident in the undertaking or death of the employer or the like it is necessary so to do, by order, direct that provisions of sub-section (1) shall not apply in relation to such undertaking for such period as may be specified in the order.

Insertion of new section 30A.

4. After section 30 of the principal Act, the following section shall be inserted, namely:—

"Penalty for closure without notice.

30A. Any employer who closes down any undertaking without complying with the provisions of section 25FFA, shall be punishable with imprisonment for a term which may extend to six months and with fine which may extend to five thousand rapees."

V. V. GIRI,

President

N. D. P. NAMBOODIRIPAD. Joint Secy. to the Govt. of India.

REASONS FOR THE ENACTMENT

In the recent past a number of industrial establishments have closed down in West Bengal leading to loss of production and great hardships to the workers. There is at present no legal bar to the employers declaring sudden closures; under the Industrial Disputes Act, they are required to give either one month's notice or pay wages in lieu of notice to the workmen. Government consider that it should have an opportunity to go into the causes of closures and take such steps as it may think necessary for avoiding the closures. A compulsory notice of sixty days for this purpose is being provided for by suitable amendment of the Industrial Disputes Act, 1947.

- 2. The requirement of prior notice before closure shall not apply, however, in respect of (a) small establishments employing less than fifty workmen. (b) closure of branch establishments situated in the State of West Bengal in consequence of the closure of registered office or the head office, as the case may be, of establishments situated outside that State. Provision is also being made to grant exemptions from the requirement of prior notice in certain exceptional circuinstances, such as, accident in the undertaking, death of the employer or the like. The proposed section 30A lays down the penalty for closing down any undertaking without the prescribed notice.
- 3. The Committee constituted under the proviso to subsection (2) of section 3 of the West Bengal State Legislature (Delegation of Powers) Act. 1971 (3) of 1971), has been consulted before the enactment of this measure as a President's Act.

P. M. NAYAK,

Secretary to the Govt. of India.

Department of Lubour and Employment.