

**JOINT/SELECT COMMITTEE  
REPORTS OF LEGISLATIVE  
ASSEMBLY -1947**

**The Indian Trade Unions  
(Amendment) Bill**

I. List of Reports of Select Committees  
presented to the Legislative Assembly  
of the Indian Legislature in 1947.

S.No.	Short title of the Bill.	Date of presen- tation.	Date of publica- tion.
1.	The Indian Navy (Discipline) (Amendment) Bill.	3.2.1947.	15.2.1947
2.	The Motor Vehicles (Amendment) Bill.	3.2.1947.	15.2.1947
3.	The Motor Vehicles (Second Amendment) Bill.	3.2.1947.	15.2.1947
<del>4.</del>	The Foreign Exchange Regulation Bill.	3.2.1947.	15.2.1947
5.	The Industrial Disputes Bill.	3.2.1947.	15.2.1947
6.	The Railways (Transport of Goods) Bill.	17.2.1947.	1.3.1947
7.	The Banking Companies Bill.	17.2.1947.	1.3.1947
8.	The Indian Trade Unions (Amendment) Bill.	26.2.1947.	5.4.1947
9.	The Insurance (Second Amendment) Bill.	5.3.1947.	15.3.1947
10.	The Delhi and Ajmer-Merwara Rent Control Bill.	12.3.1947.	22.3.1947
11.	The Imports and Exports (Control) Bill.	12.3.1947.	22.3.1947
12.	The Income-tax and Excess Profits Tax (Amendment) Bill.	19.3.1947.	29.3.1947
13.	The Business Profits Tax Bill.	19.3.1947.	29.3.1947
14.	The Rubber (Production and Marketing) Bill.	1.4.1947.	12.4.1947
15.	The Control of Shipping Bill.	1.4.1947.	12.4.1947
16.	The Capital Issues (Continuance of Control) Bill.	7.4.1947.	12.4.1947

S.No.	Short title of the Bill.	Date of presenta- tion.	Date of publica- tion.
17.	The Taxation on Income (Investigation Commission) Bill.	7. 4.1947.	19. 4.19

II. List of Reports of Select Committees  
Presented to the ~~Legis~~ Constituent  
Assembly of India (Legislative) in  
1947.

1. The Delhi and Ajmer-Merwara  
Rent Control (Amendment) Bill. 1. 12.1947. 13.12.19
2. The Delhi Premises (Requisi-  
tion and Eviction) Bill. 1.12.1947. 13.12.19
3. The Extra-Provincial Juris-  
diction Bill. 6.12.1947. 13.12.19

.....  
.....

## LEGISLATIVE ASSEMBLY

### REPORT OF THE SELECT COMMITTEE ON THE INDIAN TRADE UNIONS (AMENDMENT) BILL, 1946

We, the undersigned, members of the Select Committee to which the Bill further to amend the Indian Trade Unions Act, 1926, was referred, have considered the Bill, and have now the honour to submit this our Report, with the Bill as amended by us annexed thereto.

*Clause 3.*—The definition of “employer” has been amplified on the lines of the definition in the Industrial Disputes Bill as revised by the Select Committee with the addition that the expression will also include an association of employers, and a definition of “industry” as in that Bill has been included. We have also suggested that the Courts to be appointed under the proposed section 28B should be designated “Labour Courts” instead of “Industrial Courts”.

*Clause 4: Proposed section 28A.*—Since the regulation of labour in mines and oilfields is a subject included in the Federal Legislative List, we consider that the Central Government, rather than the Provincial Government, should be the appropriate Government in respect of Trade Unions consisting for the most part of workmen employed in mines or oilfields. We have also reduced the percentage specified in the *Explanation* to this section from seventy to fifty.

*Proposed section 28B.*—We consider that the personnel of Labour Courts should be such as to command respect and confidence. Sub-section (1) has been revised to indicate the high level we would like to see maintained in the selection of Judges for these Courts.

*Proposed section 28D.*—The conditions set out in this section are not intended to apply to recognition by agreement and this has been made clear in the revised section. Clause (a) has been amplified to include allied or connected industries. Clause (c) as originally proposed has evoked strong opposition. We have revised it omitting the reference to communal or religious grounds and laying down a condition in more general terms. The rules of a Trade Union seeking recognition before a Labour Court should not in our view provide for the exclusion from membership of any class of workmen employed in the particular industries for which the Trade Union has been formed. The condition in clause (g) has been incorporated in sub-section (1) of section 28E where it is more appropriate, and clause (h) has been omitted as being unnecessary.

The question whether a particular Trade Union is a representative Trade Union from the point of view of the employer is obviously of great importance, and instead of leaving the criteria to be prescribed by rules, we have laid down in sub-section (4) of the revised section 28E what appears to us to be the main consideration in this respect. At the same time we have left the Labour Court full discretion in border line cases to adjudge the representative character of an applicant Trade Union.

A proviso has been added to section 28D explaining condition (b) in regard to recognition by an association of employers.

*Proposed section 28E, Sub-section (1).*—Since the condition precedent for applying to the Labour Court as originally proposed, namely, that the employer should have refused to recognize the Trade Union may lend itself to the adoption of dilatory tactics by employers so inclined, we have replaced it by the condition that the Trade Union should have failed to obtain recognition within three months of applying to the employer for recognition.

*Sub-section (2)*, which is new, makes it clear that a single application may be made under *sub-section (1)* for recognition by more than one employer, or by an association of employers as well as one or more members thereof.

*Sub-section (3)*.—The original *sub-section (2)* is unnecessarily rigid. The Labour Court may be given the discretion which a Civil Court usually has, in regard to the granting and extending of time for furnishing the information required by it.

*Sub-sections (5) and (6)*.—*Sub-sections (3) and (4)* as originally drafted leave the final decision in the matter to the appropriate Government for which we see no justification. The Labour Court should in our view be empowered finally to decide the question, and not merely to recommend to the appropriate Government, whether or not the applicant Trade Union should be recognized by the employer. We have provided accordingly in revised *sub-section (5)*.

Where the Trade Union seeks recognition by an association of employers and the Court grants it, the recognition will not be binding on individual members of the association. We consider however that if the Court is satisfied that the Trade Union is representative of the workmen employed by any such member, it should be authorised to direct recognition by that employer, in addition to directing recognition by the association.

Express provision has been made in the revised *sub-section (6)* on the lines of *section 28C(3)*.

*Proposed section 28F*.—We consider the period of six months proposed in *sub-section (2)* to be too long for reopening what the employer may regard as a concluded matter, and have reduced it to three months. The reference to "a Trade Union" in the original draft is liable to be construed too widely, and to the prejudice of the particular Trade Union seeking to negotiate with the employer. We have, therefore, replaced "a" by "the".

*Proposed section 28G*.—In order to avoid factious quarrels between contending Trade Unions, we consider that the right to apply to a Labour Court for withdrawal of the recognition of a Trade Union should be limited to the Registrar and the employer concerned. Other Trade Unions would be at liberty to move the Registrar in the matter if they had sufficient grounds for doing so. We have made it clear that the section applies only to recognitions by order of the Labour Courts and not to recognitions by agreement.

*Sub-sections (3) and (4)* have been combined and revised on the same lines as *sub-sections (5) and (6)* of the revised *section 28E*.

*Proposed section 28I*.—This section also should apply only to Trade Unions recognized under *section 28E*.

*Proposed section 28K*.—The unfair practice set out in the original clause (c) of this section is, in our opinion, too vague and likely to lead to complications. We have replaced it by another clause designed to prevent the victimisation of officers of a recognised Trade Union merely because they are such officers. We have also added *ex majore cautela* a proviso that the refusal of an employer to permit his workmen to engage in trade union activities during their hours of work shall not be regarded an unfair practice.

*Clause 7*.—A *sub-section* has been added to the proposed *section 32A* providing for the payment of compensation to any workmen discharged or otherwise discriminated against by an employer in contravention of this section, read with clause (c) or clause (d) of the proposed *section 28K*.

2. The Bill was published in the *Gazette of India*, Part V, dated the 23rd February, 1946.

3. We think that the Bill has not been so altered as to require re-publication and we recommend that it be passed as now amended.

JOGENDRA NATH MANDAL.  
JAGJIVAN RAM.  
\*N. M. JOSHI.  
BALKRISHNA SHARMA.  
\*VADILAL LALLUBHAI.  
ROHINI KUMAR CHOUDHURY.  
\*P. J. GRIFFITHS.  
\*A. C. INSKIP.  
SAMPURAN SINGH.  
S. C. JOSHI.  
\*MANIBEN KARA.  
\*S. GURUSWAMI.  
MUHAMMAD NAUMAN.  
AHMED E. H. JAFFER.  
GHULAM BHIK NAIRANG.

**NEW DELHI;**  
*The 26th February, 1947.*

---

\* Subject to a minute of dissent.

## MINUTES OF DISSENT

## I

We are of the opinion that the Bill even as it emerges out of the Select Committee places heavy restrictions on the Trade Unions seeking recognition and provides only a few advantages.

Our main points of difference with the majority of the members of the Select Committee are given below :—

*Parts (a) to (f) of Clause 28D.*—Instead of the six conditions imposed by parts (a) to (f) of Clause 28D the only condition for the recognition of a Union should be the registration of the Union. The period of six months after registration which must elapse before a Union can apply to the Labour Court for recognition is unnecessary.

*Sub Clause (3) and (4) of Clause 28E.*—There is no need to empower the Labour Court to ask for information further than the information regarding the conditions laid down in parts (a) to (f) of Clause 28D.

*Sub-clause (1) of Clause 28F.*—The only privilege allowed by the Bill to a recognised Trade Union is to receive replies to its letters and have interviews with management. We feel that in addition to the above, facilities to enable it to do its work effectively should be provided by the employer to a recognised Trade Union. Some of the facilities we would like to be provided are given below :

- (a) Provision of suitable place for displaying notices of the Union ;
- (b) Permission for collection of subscriptions from its members and the holding of meetings on premises of the establishment ;
- (c) Leave of absence to members of the executive for attending meetings and for negotiating with the employer ;
- (d) Consultation with representatives of the Union before making any change in the working conditions, particularly when the change happens to be to the disadvantage of the workers ; and
- (e) Permission to Union representatives to make a personal investigation regarding the complaint of its members by going within the premises of the establishment.

*Sub Clause (2) of Clause 28F.*—The only privilege allowed by the Bill *viz.*, receiving replies to letters and having interviews with the employer, would be restricted under this clause. The period of three months which must elapse before a subject on which conclusion has been arrived at, can be reopened is too long. Three months should be substituted by a month.

*Clause 28G.*—The period of six months which is provided by the Bill between the withdrawal of recognition and fresh application for recognition is too long. We propose that this period need not be longer than three months.

*Proviso to Clause 28J.*—The employer cannot be allowed to impose restriction upon the freedom of the worker to engage himself in the Trade Union activity outside the premises even during the working hours of the establishment.

N. M. JOSHI,  
MANIBEN KARA.  
S. GURUSWAMI.

New Delhi,  
The 26th February 1947.

*Parts (a), (b) and (c) of Clause 28D.*—I consider Sectional or Craft Unions should not be recognised where Industrial Unions cover the same class of employees unless the former represent more than 50% of the class of employees concerned.

I further consider multiplicity of Unions covering the same workers should be discouraged by making it a condition that such Unions should satisfy the competent authority as to the desirability of existence of such plural Unions.

S. GURUSWAMI.

NEW DELHI,

*The 26th February 1947.*

### III

In part III-B, the sub-sections (a) and (b) of 28J, leave in my opinion, some ground uncovered. For instance, under this provision, employees in different factories or occupations belonging to a Trade Union may not be committing an unfair practice even when they go on an irregular strike one by one in different factories or occupations successively. While some workers in one factory or occupation may be participating in an irregular strike at one time, some workers in other factories or occupations may go on an irregular strike at another time in succession. This won't be covered by the words "majority of the Members of the Trade Union" because the members of a Union will be scattered over different factories or occupations and their factory or occupation-wise irregular strikes may not be unfair practice according to this provision, unless the strikers in one and the same factory or occupation constitute a majority of the members of the Union and this may not always be the case. This will thus not only result in continuous harassment to the employers, but also in paralysing the whole industry, as different units of the industry will be broken one after another. I, therefore, suggest that for the words "majority of the members of the Trade Union", the words "majority of the members working in a factory or occupation and belonging to the Union" should be substituted.

Sub-Clause (b) of Section 28J leaves individual members of the executive of the Union free to advise or actively support or to instigate an irregular strike, without committing an unfair practice. The executive of the Union may not pass a resolution to this effect, but any individual member of the executive may frustrate the object of this provision by advising or actively supporting or instigating an irregular strike in his individual capacity. I feel, therefore, that this sub-clause should be so modified as to lay down that what is an unfair practice for the executive as a whole, should be an unfair practice also in respect of individual members of the executive of the Union.

VADILAL LALLUBHAI.

NEW DELHI,

*The 26th February, 1947.*



We consider the whole principle of compulsory recognition unsound. In our view recognition should be a matter for agreement between employer and employed and under no other conditions do we believe that the growth of trade unions is likely to be healthy. We shall seek to move amendments to this effect at the appropriate stage of the Bill. If this view is not accepted, our next contention is that the Labour Court should only be allowed to order recognition in cases where it comes to a finding that the refusal to recognise has been unreasonable.

P. J. GRIFFITHS.

A. C. INSKIP.

*New Delhi,  
The 26th February 1947.*

## LEGISLATIVE ASSEMBLY DEPARTMENT

(AS AMENDED BY THE SELECT COMMITTEE)

(Words underlined or sidelined indicate the amendments suggested by the Committee; asterisks indicate omissions)

A

## BILL

*to further to amend the Indian Trade Unions Act, 1926*

WHEREAS it is expedient further to amend the Indian Trade Unions Act, 1926 (XVI of 1926), for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Indian Trade Unions (Amendment) Act, 1947.

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

2. **Amendment of long title and preamble, Act XVI of 1926.**—In the long title and preamble of the Indian Trade Unions Act, 1926 (hereinafter referred to as the said Act),—

(a) after the word "registration" the words "and recognition" shall be inserted;

(b) for the words "registered Trade Unions in British India" the words "registered and recognised Trade Unions and to certain unfair practices in industrial or trade employment" shall be substituted.

3. **Amendment of section 2, Act XVI of 1926.**—In section 2 of the said Act,—

(a) clauses (b) to (h) shall be relettered as clauses (f), (g), (i), (j), (k) (m) and (n), respectively;

(b) for the opening paragraph and clause (a), the following shall be substituted, namely:—

"In this Act, unless there is anything repugnant in the subject or context,—

(a) 'appropriate Government' means, in relation to Trade Unions whose objects are not confined to one Province, the Central Government, and in relation to other Trade Unions, but subject to the provisions of section 28A, the Provincial Government;

(b) 'employer' means,—

(i) in relation to an industry carried on by or under the authority of any department of a Government in British India, the authority prescribed in this behalf, or where no authority is prescribed, the head of the department,

(ii) in relation to an industry carried on by or on behalf of a local authority, the chief executive officer of that authority,

and includes an association of employers ;

- (c) 'executive' means the body, by whatever name called, to which the management of the affairs of a Trade Union is entrusted;
- (d) 'industry' means any business, trade, undertaking, manufacture or calling of employers, and includes any calling, service, employment, handicraft or industrial occupation or avocation of workmen;
- (e) 'Labour Court' means, in relation to a Trade Union, a Labour Court appointed by the appropriate Government under sub-section (1) of section 28B;

(c) after clause (g) as relettered by this section, the following clause shall be inserted, namely:—

'(h) "recognized Trade Union" means a Trade Union recognized under this Act;'

(d) after clause (k) as relettered by this section, the following clause shall be inserted, namely:—

'(l) "strike" and "illegal strike" have the meanings respectively assigned to them in the Trade Disputes Act, 1929 (VII of 1929), and "irregular strike" means an illegal strike or a strike declared by a Trade Union in contravention of its rules referred to in clause (a) of section 28 D;'

4. Insertion of new Chapters IIIA and IIIB in Act XVI of 1926.—After Chapter III of the said Act the following Chapters shall be inserted, namely:—

#### CHAPTER IIIA

##### *Recognition of Trade Unions*

28A. *Modification of the definition of "appropriate Government" for certain purposes.*—Notwithstanding anything to the contrary in the definition of "the appropriate Government" in section 2, the Central Government shall be deemed to be the appropriate Government for the purposes of this Chapter in respect of Trade Unions consisting of workmen employed by the Central Government or by a Federal Railway or in a major port mine or oilfield—

*Explanation.*—In this section and for the purposes of this Chapter, a Trade Union of which not less than fifty per cent. of the members are workmen employed by the Central Government or by a Federal Railway or in a major port, mine or oilfield shall be deemed to be a Trade Union consisting of workmen employed by the Central Government or by a Federal Railway or in a major port, mine or oilfield as the case may be.

28B. *Appointment, constitution, powers and procedure of Industrial Courts.*—  
(1) For the purposes of this Chapter, the appropriate Government shall appoint such number of Labour Courts as it considers necessary, consisting of one or more persons each of whom—

(a) is, or has been, a Judge of a High Court or a District Judge, or

(b) is qualified for appointment as a Judge of a High Court:

Provided that the appointment to a Labour Court of any person not qualified under clause (a) shall be made in consultation with the High Court of the Province in which the Labour Court has, or is intended to have, its usual place of sitting.

(2) Every Labour Court shall have all the powers of a Civil Court for the purposes of receiving evidence, administering oaths, enforcing the attendance of witnesses, and compelling the discovery and production of documents, and shall

be deemed to be a Civil Court within the meaning of sections 480 and 482 of the Code of Criminal Procedure, 1898 (V of 1898).

(3) The proceedings of Labour Courts shall be regulated and conducted in such manner as may be prescribed.

28C. *Recognition by agreement.*—(1) Where an employer agrees to recognize a Trade Union, a memorandum of agreement signed by the employer and the officers of the Trade Union, or their authorised representatives, may be presented to the Registrar who shall record the memorandum in a register in the prescribed manner.

(2) Such an agreement may be revoked by either party thereto on application made to the Registrar in the prescribed manner.

(3) While such an agreement is in force, the Trade Union shall, in its relations with the employer with whom the agreement is made, have all the rights of a recognized Trade Union under this Act, and shall for all other purposes be deemed to be a recognized Trade Union.

28D. *Conditions for recognition by order of a Labour Court.*—A Trade Union shall not be entitled to recognition by order of a Labour Court under section 28E unless it fulfils the following conditions, namely :—

(a) that all its ordinary members are workmen employed in the same industry or in industries closely allied to or connected with one another ;

(b) that it is representative of all the workmen employed by the employer in that industry or those industries ;

(c) that its rules do not provide for the exclusion from membership of any class of the workmen referred to in clause (b) ;

(d) that its rules provide for the procedure for declaring a strike ;

(e) that its rules provide that a meeting of its executive shall be held at least once in every six months ;

(f) that it is, and has been for at least six months prior to the date of the application to the Labour Court for recognition, a registered Trade Union, and that it has complied with all the provisions of this Act :

Provided that the reference in clause (b) to "the employer" shall as respects recognition by an association of employers, be construed as a reference to all the employers who are members of the association.

\* \* \* \* \*

28E. *Application to, and grant of recognition by, Labour Courts.*—(1) Where a registered Trade Union having applied for recognition to an employer has failed to obtain recognition within a period of three months from the date of making such application, it may apply in writing, setting out such particulars as may be prescribed, to the Labour Court for recognition by that employer.

(2) A single application may be made under sub-section (1) for recognition—

(a) by more than one employer, or

(b) by an association of employers as well as one or more members thereof.

(3) The Labour Court may call for further information for the purpose of ascertaining whether the Trade Union is entitled to recognition by the employer under this section, and if the Trade Union fails to supply the required information within the time granted, the Labour Court may dismiss the application.

(4) The Labour Court shall, after serving notice in the prescribed manner on the employer, investigate whether the Trade Union fulfils the conditions for recognition set out in section 28D, and in deciding whether the condition set out in clause (b) thereof is fulfilled, the Labour Court shall have regard to, but shall not be bound by, the fact whether the proportion which the number of the workmen referred to in the said clause who are members of the Trade Union and are not in arrears of their subscription for any period exceeding three months, bears to the total number of such workmen is less, or not less, than such percentage, if any, as may be prescribed in this behalf, either generally, or in respect of any particular locality or any particular employer or class of employers, or any particular industry or class of industries.

(5) If the Labour Court is satisfied that the Trade Union is fit to be recognized by the employer, it shall make an order directing such recognition and may, where the recognition is to be by an association of employers, further direct, by the same or a subsequent order, recognition by every member of the association in relation to whom the Trade Union fulfils the condition set out in clause (b) of section 28D.

(6) Every order made under sub-section (5) shall be forwarded to the appropriate Government which shall notify it in the official Gazette, and while a recognition directed by such order is in force the Trade Union shall, in its relations with the employer concerned, have all the rights of a recognized Trade Union under this Act and shall for all other purposes be deemed to be a recognized Trade Union.

**28F. Rights of recognized Trade Unions.—**(1) The executive of a recognized Trade Union shall be entitled to negotiate with employers in respect of matters connected with the employment or non-employment or the terms of employment or the conditions of labour of all or any of its members, and the employer shall receive and send replies to letters sent by the executive on, and grant interviews to that body regarding, such matters.

(2) Nothing in this section shall be construed as requiring an employer to send replies to letters on, or grant interviews regarding, matters on which, as a result of previous discussion with the executive of the Trade Union, the employer has arrived at a conclusion, whether in agreement with the executive or not, unless a period of at least three months has elapsed since the said conclusion was arrived at, or unless there has been a change in circumstances.

(3) Any dispute between the employer and the executive of a recognized Trade Union as to whether a conclusion has been arrived at, or whether there has been a change in circumstances, within the meaning of sub-section (2), shall be referred to the Registrar whose decision shall be final.

**28G. Withdrawal of recognition.—**(1) Where the recognition of a Trade Union has been directed under section 28E, the Registrar\*\*\* or the employer may apply in writing to the Labour Court for withdrawal of the recognition \*\*\* on any of the following grounds, namely:—

(a) that the executive or the members of the Trade Union have committed any unfair practice set out in section 28J within three months prior to the date of the application;

(b) that the Trade Union has failed to submit any return referred to in section 28I.

(c) that the Trade Union has ceased to be representative of the workmen referred to in clause (b) of section 28D.

(2) On receipt of an application under sub-section (1) the Labour Court shall, unless it thinks fit to dismiss the application summarily, serve notice in the prescribed manner on the Trade Union to show cause why its recognition should not be withdrawn.

(3) If after giving a reasonable opportunity to the Trade Union to show cause, the Labour Court is satisfied that the Trade Union is no longer fit to be recognized, it shall make an order declaring that the recognition of the Trade Union has been withdrawn, and forward a copy of the order to the appropriate Government which shall notify it in the official Gazette.

\* \* \* \* \*

28H. *Application for fresh recognition.*—On the expiry of not less than six months from the date of withdrawal of recognition of a Trade Union under sub-section (3) of section 28G, the Trade Union, if it continues to be a registered Trade Union, may again apply for recognition, and the procedure laid down in this Act shall apply in respect of such application as if it were an original application for recognition.

28I. *Recognized Trade Unions to submit prescribed returns.*—Every Trade Union recognized under section 28E shall submit to the Registrar at the prescribed time and in the prescribed manner such returns, in addition to those referred to in section 28, as may be prescribed.

## CHAPTER IIIB

### *Unfair practices*

28J. *Unfair practices by recognized Trade Unions.*—The following shall be deemed to be unfair practices on the part of a recognized Trade Union, namely :—

- (a) for a majority of the members of the Trade Union to take part in an irregular strike ;
- (b) for the executive of the Trade Union to advise or actively to support or to instigate an irregular strike ;
- (c) for an officer of the Trade Union to submit any return required by or under this Act containing false statements.

28K. *Unfair practices by employers.*—The following shall be deemed to be unfair practices on the part of an employer, namely :—

- (a) to interfere with, restrain, or coerce his workmen in the exercise of their rights to organise, form, join or assist a Trade Union and to engage in concerted activities for the purpose of mutual aid or protection ;
- (b) to interfere with the formation or administration of any Trade Union or to contribute financial or other support to it ;
- (c) to discharge, or otherwise discriminate against, any officer of a recognized Trade Union because of his being such officer ;
- (d) to discharge or otherwise discriminate against any workman because he has made allegations or given evidence in an inquiry or proceeding relating to any matter such as is referred to in sub-section (J) of section 28F.
- (e) to fail to comply with the provisions of section 28F :

“Provided that the refusal of an employer to permit his workmen to engage in Trade Union activities during their hours of work shall not be deemed to be an unfair practice on his part.”

5. *Amendment of section 29, Act XVI of 1946.*—(1) To sub-section (1) of section 29 of the said Act the following proviso shall be added, namely :—

“Provided that the making of regulations under this section for the purpose of carrying into effect the provisions of Chapter IIIA shall be deemed to be a purpose of that Chapter within the meaning of section 28A.”

(2) To the said section 29 the following sub-section shall be added, namely:—

“(3) The Central Government may give directions to a Provincial Government as to the regulations to be made under this section for prescribing the percentages referred to in sub-section (4) of section 28E.”

**6. Amendment of section 31, Act XVI of 1926.**—In section 31 of the said Act,—

(a) in sub-section (1),—

(i) after the word “registered” the words “or recognized” shall be inserted;

(ii) for the word “statement” the words “statement, return” shall be substituted;

(b) in sub-section (2), after the word and figures “section 28” the words, figures and letter “or any return referred to in section 28K,” shall be inserted.

**7. Insertion of new section 32A in Act XVI of 1926.**—After section 32 of the said Act the following section shall be inserted, namely:—

“32A. *Penalty for unfair practices.*—(1) Any employer who commits any unfair practice set out in section 28K shall be punishable with fine which may extend to one thousand rupees.”

(2) Where a Criminal Court imposes a fine, or confirms in appeal, revision or otherwise a sentence of fine imposed, on an employer for committing an unfair practice set out in clause (c) or clause (d) of section 28K, it may, when passing judgment, order the whole or any part of the fine to be applied in the payment to any person of compensation for loss or injury caused by the unfair practice.