

**1965 : Pb. Act 17]****LABOUR WELFARE FUND**

THE PUNJAB LABOUR WELFARE FUND ACT, 1965.

(as amended)

*Arrangement of Sections*

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THE PUNJAB LABOUR WELFARE FUND ACT, 1965  
(Punjab Act.No.17 of 1965)  
[As amended upto March 14, 2019]

<sup>1</sup>[Received the assent of the President of India on the 17<sup>th</sup> July, 1965, and first published for general information in the Punjab Government Gazette (Extraordinary), Legislative Supplement, Part I, of July 27, 1965.]

An  
Act

to provide for the constitution of a Fund for the financing of activities to promote welfare of labour in the State of Punjab and for conducting such activities and for certain other purposes.

Be it enacted by the Legislature of the State of Punjab in the Sixteenth Year of the Republic of India as follows :--

**1. Short title, extent and commencement--**(1) This Act may be called the Punjab Labour Welfare Fund Act, 1965 .

<sup>2</sup>[(2) It extends to the territories which, immediately before the 1<sup>st</sup> day of November, 1966 were comprised in the State of Punjab, excluding the territory transferred to the Union Territory of Himachal Pradesh under section 5 of the Punjab Re- organisation Act, 1966 ( 31 of 1966)].

(3) It shall come into force on the first day of July, 1965.

**2. Definitions-** In this Act, unless the context otherwise requires, -

<sup>3</sup>[(1) 'Board' means the Punjab Labour Welfare Board established and constituted under section 4 for each of the States of Punjab and Haryana and the Union Territory Chandigarh ;]

<sup>4</sup>["(2) 'employee' means any person employed, directly by or through any agency(including a contractor) with or without the knowledge of the principal employer, for remuneration in any factory or establishment to do any work connected with its affairs;"]

(3) 'employer' means any person who is employed, either directly or through another person on behalf of himself or any other person, one or more employees in an establishment , and includes . --

(i) In a factory, any person named under clause (f) of sub-section (1) of section 7 of the Factories Act, 1948, as the manager ;

(ii) In any establishment, other than a factory, any person responsible to the owner of the establishment for the supervision and control of employees or for the payment of wages ;

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1. For Statement of Objects and Reasons, see Punjab Government Gazette (Extraordinary), 1965 page 452.

2. See Government of India, Ministry of Home Affairs, S.O. No. 1301, dated the 28<sup>th</sup> March, 1969, published in Gazette of India(Extra.), Part -II. Section 3 (ii), of 31<sup>st</sup> March, 1969.

3. For Statement of Objects and Reasons, see Haryana Government Gazette (Extraordinary), 1971 page 198.

4. Substituted for clause (2) by Haryana Act No. 7 of 2007 dated 4<sup>th</sup> April, 2007.

- 4(“(4) ‘establishment’ means a factory and includes any premises including the precincts thereof wherein and in any part of which any industry within the meaning of clause (j) of section 2 of the Industrial Disputes Act, 1947 (Act 14 of 1947), is carried on and also includes a shop or a commercial establishment within the meaning of the Punjab Shops and Commercial Establishments Act, 1958 (Punjab Act 15 of 1958), in which, on any day, Ten or more employees are employed or were employed during the preceding twelve months;’
- (5) ‘factory’ means a factory as defined in clause (m) of section 2 of the Factories Act, 1948, or any place which is deemed to be a factory under sub-section (2) of section 85 of that Act ;
- ’[(6) “Fund” means the Labour Welfare Fund constituted under section 3 for each of the States of Punjab and Haryana and the Union Territory of Chandigarh ;]
- (7) ‘independent member’ means a member of the Board who is not connected with the management of any establishment or who is not an employee ;
- (8) ‘Inspector’ means an Inspector appointed under section 15 ;
- (9) ‘prescribed’ means prescribed by rules made under this Act ;
- (10) ‘unpaid accumulations’ means all payments due to the employees but not made to them within a period of <sup>3</sup>[two years] from the date on which they become due, whether before or after the commencement of this Act, including the wages, bonus and gratuity legally payable, but not including the amount of contribution, if any, paid by an employer to a provident fund established under the Employees Provident Fund Act, 1952 ;
- (11) wages’ means wages as defined in clause (6) of section 2 of the Payment of Wages Act, 1936 ;
- (12) ‘Welfare Commissioner’ means the Welfare Commissioner appointed under section 14.
- [2A. Construction of certain references in the Act. -- (1) In the application of the provisions of this Act to the Union territory of Chandigarh , any reference therein to the State or State Government shall be construed as a reference to the Administrator of the Union territory of Chandigarh.
- (2) Sub-section (3) of section 27 shall not apply in relation to the Union territory of Chandigarh but shall apply to the State of Haryana with the modifications that for the words “each house of the State Legislature”, the words “ the Legislative Assembly” and for the words “both Houses agree” at both the places where they occur, the words “the Legislative Assembly agrees” shall be substituted.”
- 3. Welfare Fund --**(1) The State Government shall constitute a Fund called the Labour Welfare Fund and, notwithstanding anything contained in any other law for the time being in force or in any contract or instrument, all unpaid accumulations shall be paid to the Board which shall keep a separate account therefore until claims thereto have been decided in the manner provided in section 9, and the other sums specified in sub-section (2) shall be paid into the Fund :

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1. Substituted by Government of India S.O. No. 1301, dated 28<sup>th</sup> March, 1969
  2. Section 2-A added by Govt. of India, S.O. No. 1301, dated 28<sup>th</sup> March, 1969.
  3. Substitute for the words “three years” by Haryana Act No. 1 of 2002.
  4. Substituted for clause(4) of section 2 by Act No. 7 of 2007, dated 4<sup>th</sup> April, 2007.

- (2) The Fund shall consist of--
- (a) all fines realised from the employees ;
  - (b) unpaid accumulations transferred to the Fund under section 9 ;
  - (c) grants and subsidies to the Board made by the State Government ;
  - (d) all voluntary donations ;
  - (e) any fund transferred under sub-section (5) of section 10 ; [ X ]<sup>1</sup>
  - (f) any sum borrowed under section 11 <sup>2</sup> ;and]
- <sup>3</sup>[ (g) any contribution of employers and employees.]
- (3) The sums specified in sub- section (2) shall be collected by such agencies and in such manner and the accounts of the Fund shall be maintained and audited in such manner as may be prescribed.
- <sup>4</sup>["(4) The employer shall be required to pay interest at the rate of twelve per cent per annum on the amount of unpaid accumulations in case he fails to deposit the same within a period of one year from the prescribed date. The rate of interest thereafter shall be twenty per cent per annum.
- (5) An employer who has already incurred the liability of payment of fine at the rate of twenty-five per cent at the time of commencement of the Punjab Labour Welfare Fund ( Haryana amendment) Act, 1988, shall be liable to pay interest at the rate of twenty per cent per annum from the date of commencement or from the expiry of two years from the date of incurring the liability of payment of fine, whichever is later."]
4. **Establishment of Board** .-- <sup>5</sup> [(1) For the purpose of administering the Fund and for performing such other functions as are assigned to it by or under this Act, the state Government shall by notification establish a Board to be known as "The Punjab Labour Welfare Board for Punjab or Haryana or the Union territory of Chandigarh" as the case may be .]
- (2) The Board shall be a body corporate with the name aforesaid, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold or dispose of property, and to contract, and may by that name sue or be sued.
- (3) The Board shall consist of the following members, including the Chairperson and the Vice-Chairperson<sup>7</sup>, to be nominated by the State Government, namely :--
- (a) such equal number of representatives of employers and employees as may be prescribed ; and
  - (b) such number of independent members, whether official, non-official or both, as may be prescribed.
- (4) No person shall be nominated as a member of the Board who--
- (a) is a salaried official of the Board ; or
  - (b) has been adjudged as an insolvent ; or

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1. The word "and "omitted by Haryana Act No. 1 of 2002  
2. The sign "." Substituted by the sign and word " and" by Haryana Act ibid  
3. Added by Haryana Act ibid.  
4. Substituted for sub section (4) by Haryana Act No. 19 of 1988  
5. Substituted by Government of India S.O. No. 1301, dated 28<sup>th</sup> March, 1969  
6. The word "and "omitted by Haryana Act No. 7 of 2007  
7. Substituted the word "Chairman" of sub section (3) of section 4 by Haryana Act No. 6 of 2013.

- (c) is of unsound mind and stands so declared by a competent court or is, in the opinion of the State Government, physically or mentally unfit to be appointed as a member ; or
  - (d) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude.
5. **Power of State Government to remove Chairperson, Vice-Chairperson and<sup>1</sup> member from office in certain cases.**-- The State Government may remove from office the Chairperson and Vice-Chairperson<sup>1</sup> or any member of the Board who--
- (a) absents himself from three consecutive meetings of the Board without permission of the Chairperson of the Board in the case of a member and of the State Government in the case of the Chairperson and Vice-Chairperson ;
  - (b) is or has become subject to any of the disqualifications mentioned in sub-section (4) of section 4 ; or
  - (c) so abuses his position as to render his continuance in office detrimental to the public interest.
6. **Vacancies, etc, not to invalidate proceedings of Board** --No act done, or proceeding taken, under this Act by the Board shall be invalid merely on the ground—
- (a) of any vacancy or defect in the constitution of the Board ;or
  - (b) of any defect or irregularity in the nomination of a person acting as a member thereof ; or
  - (c) of any defect or irregularity in such act or proceeding, not affecting the merits of the case.
7. **Term of office, casual vacancies and resignation** -- (1) The term of office of a member of the Board shall be three years commencing on the date on which his nomination is notified in the official Gazette :
- Provided that a member nominated to fill a casual vacancy shall hold office for the unexpired portion of the term of office of the member in whose place the former is nominated.
- (2) A member of the Board, including the Chairperson or the Vice-Chairperson<sup>1</sup> thereof, may resign his office by notifying in writing his intention to do so to the State Government, and on such resignation being accepted by the State Government, he shall be deemed to have vacated his office.
- (3) If a vacancy arises in the office of the Chairperson and Vice- Chairperson<sup>1</sup> or a member of the Board, whether by death, resignation, removal or otherwise, the vacancy shall be filled up by the State Government in accordance with the provisions of section 4.
- (4) An outgoing, member, including the Chairperson and Vice-Chairperson<sup>1</sup> shall be eligible for re-nomination.

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1. (Substituted the word "Chairman" in section 5,7(2), 7(3) and 7(4) by Haryana Act No. 6 of 2013. )

<sup>1</sup>[ **"7-A. Chairperson, Vice-Chairperson and Members<sup>4</sup> to hold office during the pleasure of the State Government.--** Notwithstanding anything to the contrary contained in this Act, the Chairperson, Vice-Chairperson and<sup>4</sup> members of the Board shall hold office during the pleasure of the State Government." ]

8. **Procedure at the meetings of the Board--** (1) The Chairperson and in his absence, the Vice-Chairperson and in the absence of both,<sup>4</sup> a member of the Board nominated by the State Government shall preside at a meeting of the Board.

(2) All questions at a meeting of the Board shall be decided by a majority of the members of the Board present voting :

Provided that in the case of an equality of votes, the Chairperson<sup>4</sup> or the person presiding, as the case may be, shall, in addition to his vote as a member have a second or casting vote.

(3) The quorum at a meeting of the Board and the manner in which the business of the Board shall be conducted shall be such as may be prescribed.

9. **Unpaid accumulations and claims thereto --** (1) All unpaid accumulations shall be deemed to be abandoned property.

(2) Any unpaid accumulations paid to the Board in accordance with the provisions of section 3 shall, on such payment, discharge an employer of the liability to make payment to an employee in respect thereof but to the extent only of the amount paid to the Board, and the liability to make payment to the employee to the extent aforesaid shall, subject to the succeeding provisions of this section, be deemed to be transferred to the Board.

(3) As soon as possible after the payment of any unpaid accumulations is made to the Board, the Board shall, by notice (containing such particulars as may be prescribed)--

- (a) exhibited on the notice board of the establishment in which the unpaid accumulations was earned ;
- (b) Published in the Official Gazette and also in any two newspapers in both the regional languages of the State having large circulation in the area in which the establishment is situated or in such other manner as may be prescribed, regard being had to the amount of the claim ;

invite claims by employees for any payment due to them. The notice shall be inserted in the manner aforesaid in December of every year, for a period of two years from the date of the payment of the unpaid accumulations to the Board.

(4) If any question arises whether the notice referred to in sub-section (3) was given as required by that sub-section a certificate of the Board that it was so given, shall be conclusive.

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- 1. Inserted by Haryana Act No. 19 of 1981.
  - 2. The word" June and" omitted by Haryana Act No. 7 of 2007, dated 4<sup>th</sup>, April, 2007.
  - 3. Substituted for the words" Three Years" , by Haryana Act No. 7 of 2007, dated 4<sup>th</sup> April, 2007.
  - 4. Substituted for the words "Chairman" in Section 7-A and 8 (1) and (2) by Haryana Act No. 6 of 2013.

(5) If a claim is received, whether in answer to the notice or otherwise, within a period of four years from the date of first publication of the notice in respect of such claims,--

(a) where the amount of claim so received is equal to the amount deposited by the management with the Board, the amount of the claim shall be paid by the Board to the employee concerned ; and

(b) in any other case, the Board shall transfer such claim to the Authority appointed under section 15 of the Payment of Wages Act, 1936, having jurisdiction in the area in which the establishment is or has been situated, and the Authority shall proceed to adjudicate upon, and decide, such claim. In hearing such claim the Authority shall have the powers conferred by, and follow the procedure (in so far as it is applicable) followed in giving effect to the provisions of that Act.

(6) If the Authority aforesaid is satisfied that any such claim is valid so that the right to receive payment is established, it shall decide that the unpaid accumulations in relation to which the claim is made shall cease to be deemed to be abandoned property, and shall order the Board to pay the whole of the dues claimed, or such part thereof as the Authority decides, are properly due, to the employee ; and the Board shall make payment accordingly :

Provided that the Board shall not be liable to pay any sum in excess of that paid under sub-section (1) of section 3 to the Board as unpaid accumulations in respect of the claim.

(7) If a claim for payment is refused, the employee shall have a right of appeal to the Court of District Judge and Board shall comply with any order made in appeal. An appeal shall lie within sixty days of the decision of the Authority.

(8) The decision of the Authority, subject to the appeal aforesaid, and the decision in appeal shall be final and conclusive as to the right to receive payment, the liability of the Board to pay and also as to the amount , if any.

(9) If no claim is made within the time specified in sub-section (5) or a claim has been duly refused as aforesaid by the Authority, or on appeal by the Court, then the unpaid accumulations in respect of such claim shall accrue to, and vest in, the State as *bona vacantia*, and shall thereafter, without further assurance, be deemed to be transferred to, and form part of, the Fund.

**1["9A. Contribution to Fund by employers and employees.-** '(1) Each employee shall contribute to the Fund every month an amount equal to zero point two percent of his salary or wages or any remuneration subject to a limit of rupees thirty-one and each employer in respect of each such employee shall contribute to the Fund every month, twice the amount contributed by such employee :

Provided that the limit specified above shall be indexed annually to the consumer price index beginning from first of January each year.

**Explanation.-** For the purposes of sub-section (1), "employee" means an employee on the register of an establishment on the last working day of the month.'

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1. Inserted by Haryana Act No. 1 of 2002 dated 29<sup>th</sup> Jan. 2002.

2. Substituted for the words "One rupee" and "two rupees" by Haryana Act No. 7 of 2007 dated 4<sup>th</sup> April, 2007.

3. Substituted for the words "Five rupees" and "twenty rupees" by Haryana Act No. 8 of 2012 dated 11<sup>th</sup> April, 2012.

4. Sub-section (1) of section 9A substituted by Haryana Act No. 18 of 2019 dated 14<sup>th</sup> March, 2019.

(2) Every employer shall pay to the Fund both his contribution and the contribution of the employee before the 31<sup>st</sup> December of every year through online mode in favour of Welfare Commissioner.

(3) The employer shall be entitled to recover from the employee the employee's contribution by deduction from his wages and not otherwise :

2" (4) Any employer who fails to pay the contribution amount within a period of one month from the date specified under sub-section (2), shall be liable to pay interest at the rate of twelve percent per annum from the said date until such time the amount is actually deposited with the Welfare Commissioner;"

10. **Vesting and application of Fund** -(1) The Fund shall vest in, and be held and applied by, the Board as trustees subject to the provisions and for the purposes of this Act. The moneys therein shall be utilized by the Board to defray the cost of carrying out measures which may be specified by the State Government from time to time to promote the welfare of labour and of their dependants.

(2) Without prejudice to the generality of sub-section (1), the money in the Fund may be utilized by the Board to defray expenditure on the following :-

- (a) community and social education centres including reading rooms and libraries ;
- (b) community necessities ;
- (c) games and sports ;
- (d) excursions, tours and holiday homes ;
- (e) entertainment and other forms of recreation ;
- (f) home industries and subsidiary occupations for women and unemployed persons ;
- (g) corporate activities of a social nature ;
- (h) cost of administering this Act including the allowances, if any, payable to the Chairperson, Vice-Chairperson and members of the Board and the salaries and allowances of the staff appointed for the purposes of this Act ; and
- (i) such other objects as would in the opinion of the State Government improve the standard of living and ameliorate the social conditions of labour :

Provided that the Fund shall not be utilized in financing any measure which the employer is required under any law for the time being in force to carry out :

Provided further that unpaid accumulations and fines shall be paid to the Board and be expended by it under this Act notwithstanding anything contained in the Payment of Wages Act, 1936, or any other law for the time being in force.

(3) The Board may, with the approval of the State Government make a grant of the Fund to any local authority or any other body except an employer in aid of any activity for the welfare of labour and of their dependents approved by the State Government.

(4) If any question arises whether any particular expenditure is or is not debitable to the Fund, the matter shall be referred to the State Government and the decision of the State Government on such reference shall be final.

(5) It shall be lawful for the Board to continue any activity financed from the welfare fund of any establishment if the said fund is duly transferred to the Board.

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1. Inserted by Haryana Act No. 1 of 2002 dated 29<sup>th</sup> January, 2002

2. Inserted by Haryana Act No. 7 of 2007 dated 4<sup>th</sup> April, 2007

3. Inserted by Haryana Act No. 8 of 2012 dated 11<sup>th</sup> April, 2012.

4. Inserted by Haryana Act No. 18 of 2019 dated 14<sup>th</sup> March, 2019.

11. **Power of Board to Borrow.**-- The Board may, with the previous sanction of the State Government, and subject to the provisions of this Act and to such conditions as may be specified in this behalf, borrow any sum required for the purposes of this Act.
12. **Investment of Fund.**-- Where the Fund or any portion thereof cannot be applied for some time for the purposes of this Act, the Board shall invest the same in such manner and in such securities as may be prescribed.
13. **Power of State Government to give directions to the Board.**--The State Government may give the Board such directions as in its opinion are necessary or expedient in connection with expenditure from the Fund or for carrying out the other purposes of this Act ; and it shall be the duty of the Board to comply with such directions.
14. **Appointment and powers of Welfare Commissioner.** -- (1) There shall be a Welfare Commissioner to be appointed by the Board with the previous approval of the State Government who shall be the principal executive officer of the Board.  
(2) Notwithstanding anything contained in sub-section (1) , the first Welfare Commissioner shall be appointed by the State Government as soon as practicable after the passing of this Act for a period not exceeding five years and on such conditions as the State Government thinks fit.  
(3) It shall be the duty of the Welfare Commissioner to ensure that the provisions of this Act and the rules made thereunder are duly carried out and for this purpose he shall have the power to issue such orders not inconsistent with the provisions of this Act and rules made thereunder as he deems fit, including any order authenticating and implementing the decisions taken by the Board under this Act or rules made thereunder.
15. **Appointment of Inspectors.**-- (1) The State Government may appoint Inspectors to inspect records in connection with the sums payable into the Fund.  
(2) Any Inspector may--
  - (a) with such assistance, if any, as he thinks fit, enter at any reasonable time any premises for carrying out the purposes of this Act ; and
  - (b) exercise such other powers as may be prescribed.
16. **Absorption of the existing staff under Labour Commissioner.**-- The Board shall take over and employ such of the existing staff under the control of Labour Commissioner, <sup>1</sup>[Haryana], as the State Government may direct and every person so taken over and employed shall be subject to the provisions of this Act and rules made thereunder :  
Provided that—
  - (a) during the period of such employment all matters relating to pay, leave, retirement, allowances, pensions, provident fund and other conditions of service of the said staff shall be regulated by the Punjab Civil Service Rules or such other rules as may from time to time be made by the State Government; and
  - (b) every such member of the said staff shall have a right of appeal to the State Government against any order of reduction, dismissal or removal from service, fine or any other punishment :

Provided further that person so taken over may elect within the prescribed period that he desires to be governed by the rules made under this Act in respect of conditions of service of the staff appointed by the Board under this Act, and on his electing to be so governed the provisions of first proviso shall cease to apply to him.

17. **Appointment of clerical and other staff by Board.**-- The Board shall have power to appoint the necessary clerical and executive staff to carry out and supervise the activities financed from the Fund :

Provided that if any appointment is not agreed to by the majority of the total number of members of the Board, the appointment shall be made by the State Government :

Provided further that the expenses of the staff thus appointed and other administrative expenses shall not exceed a prescribed percentage of the annual income of the Fund.

18. **Power of State Government to remove any person on staff of Board.**--The State Government shall have the power to remove any person whom it may deem unsuitable from the service of the Board.

19. **Power of State Government or Authorised Officer to call for records, etc.**--The State Government or any officer authorised by the State Government in this behalf may call for records of any proceedings which are pending before, or have been disposed of, by the Board for purpose of satisfying itself or himself, as the case may be, as to the legality or propriety of such proceedings or of any order made therein and may pass such orders in relation thereto as the State Government or such officer may think fit :

Provided that no order adversely affecting any person shall be made under this section without giving such person a reasonable opportunity of being heard.

20. **Mode of recovery of sums payable into Fund, etc.**--Any such sums payable into the Fund under this Act, shall, without prejudice to any other mode of recovery, be recoverable on behalf of the Board as an arrear of land revenue.

21. **Supersession of Board.**-- (1) If the State Government is satisfied that the Board has made default in performing any duties imposed on it by or under this Act or has abused its power, the State Government may by notification supersede and reconstitute the Board in the prescribed manner :

Provided that before issuing such notification, the State Government shall give a reasonable opportunity to the Board to show cause why it should not be superseded and shall consider the explanation and objections, if any, of the Board.

- (2) After the supersession of the Board and until it is reconstituted, the powers, duties and functions of the Board shall be exercised or performed by such officer or officers as the State Government may appoint for this purposes.

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<sup>1</sup> Substituted by the Haryana Adaptation of Laws Order, 1968.

22. **Members of the Board, Welfare Commissioner, Inspectors and all officers and servants of Board to be public servants.--** The members of the Board, including the Chairperson and Vice-Chairperson<sup>4</sup> thereof, the Welfare Commissioner, Inspectors and all officers and servants of the Board, shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code .
23. **Delegation.--** The Board may, by resolution passed by it at a meeting of the Board, direct that any power or duty which by this Act or by any rule made under this Act is conferred or imposed upon the Board shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercised or discharged also by the Welfare Commissioner.
24. **Protection of persons acting in good faith.--**No suit , prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.
25. **Exemptions .--** The State Government may by notification and in public interest exempt any class of establishments from all or any of the provisions of this Act subject to such conditions, if any, as may be specified in the notification.
26. **(X)**  
**26A. Penalty.--** Save as otherwise provided, any person, who contravenes any of the provisions of this Act or any rule made thereunder or who willfully obstructs an Inspector in the exercise of his powers or discharge of his duties under this Act or any rule made thereunder or fails to produce for inspection on demand by an Inspector any registers, records or other documents maintained in pursuance of the provisions of this Act or the rules made thereunder or to supply to him on demand true copies of any such document, shall, on conviction, be punished --
- (i) for the first offence, with fine which may extend to five thousand rupees ; but not less than two thousand rupees"
  - (ii) for a second or subsequent offences, with imprisonment for a term which may extend to three months, or with fine which may extend to ten thousand rupees but not less than three thousand rupees.
- 26B. **Cognizance of offences .--**(1) No court inferior to that of a Judicial Magistrate of the 1<sup>st</sup> Class shall try any offence punishable under this Act.  
(2) No court shall take cognizance of any such offence except on a complaint made by the Inspector." ]
27. **Power to make rules.--** (1) The State Government may, by notification and subject to the condition of previous publication, make rules to carry out the purposes of this Act.  
(2) In particular, and without prejudice to the generality of the foregoing power, such rules may be made for all or any of the following matters, namely :--
- (a) the agency for and the manner of collection of sums specified in sub-section (3) of section 3; and the period within which the same shall be paid to the credit of the Fund ;
  - (b) the manner in which the accounts of the Fund shall be maintained and audited under sub-section (3) of section 3 ;

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1. Sections 26-A and 26-B, inserted by Haryana Government notification No. 9-Leg/78 dated 14<sup>th</sup> April, 1978

2. Section 26 omitted by Haryana Act No. 7 of 2007, dated 4<sup>th</sup> April, 2007.

3. Substituted for the words" five thousand rupees" and" one thousand rupees" .

4. Substituted for words "Chairman" "Chairperson and Vice-Chairperson" by Haryana Act No. 6 of 2013.

- (c) the number of representatives of employers, employees and independent members of the Board and the allowances, if any, payable to the Chairperson, Vice-Chairperson<sup>3</sup> and members thereof ;
- (d) the quorum at meetings of the Board and the manner in which it shall conduct its business ;
- (e) the particulars which shall be contained in the notice referred to in sub-section (3) of section 9, and the other manner of publication of such notice ;
- (f) the procedure for making grants from the Fund under sub-section (3) of section 10 and the securities in which the Fund may be invested and the manner of investment ;
- (g) the procedure for defraying the expenditure incurred in administering the Fund ;
- (h) the duties and powers of Inspectors and the conditions of service of the Welfare Commissioner and Inspectors and other staff appointed under this Act;
- (i) the percentage of the annual income of the Fund beyond which the Board may not spend on the staff and other administrative measures ;
- (j) the registers and records to be maintained under this Act and the form and manner in which they shall be maintained ;
- (k) the publication of the report of activities financed from the Fund together with statement of receipts and expenditures of the Fund and statement of accounts ; and
- (l) any other matter which is to be or may be prescribed.

(3) Every rule made under this section shall be laid as soon as may be after it is made before <sup>1</sup>[State Legislature] while it is in session for a total period of ten days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, <sup>2</sup>[ the Legislative Assembly agrees] in making any modification in the rule or <sup>2</sup>[the Legislative Assembly agrees] 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.

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1. The words "each House of" omitted by the Adaptation of Punjab Laws Order, 1970.  
 2. Substituted for the word "both Houses" by Adaptation of Punjab Laws Order, 1970.  
 3. Substituted for the word "Chairperson, Vice-Chairperson" by Haryana Act No. 6 of 2013.

# The Punjab Labour Welfare Fund Rules, 1966

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# The Punjab Labour Welfare Fund Rules, 1966

(Amended upto 7<sup>th</sup> March, 2014)

**No. GSR. 82/P. A. 16/65/S. 27/66, dated the 20<sup>th</sup> April, 1966** :- With reference to the Punjab Government notification No. GSR. 228/P. A. 17/65/S. 27/65, dated the 16<sup>th</sup> September, 1965 and in exercise of the powers conferred by section 27 of the Punjab Labour Welfare Fund Act, 1965, the Governor of Punjab is pleased to make the following rules, namely :-

**1. Short title** - These rules may be called the Punjab Labour Welfare Fund Rules, 1966.

**2. Definitions** -- In these rules, <sup>1</sup> [unless the context, otherwise, requires-

- (i) 'Act' means the Punjab Labour Welfare Fund Act, 1965.
- (ii) 'Form' means a form appended to these rules.
- (iii) 'Section' means a section of the Act.

**3. Agency for and manner of collecting sums specified in sub-section (3) of section 3. Section 3 (3) and 27 (2) (a).** -- (1) Every employer shall pay in cash or by money order or by postal order or by demand draft or cheque drawn on the State Bank of India or any Scheduled Bank duly crossed in favour of the Welfare Commissioner within thirty days of the commencement of these rules--

- (a) all fines realised from the employees and remaining unutilized on such commencement ; and
- (b) all unpaid accumulations held by the employer on such commencement.

(2) The employer shall along with such payments submit a Statement to the Welfare Commissioner giving full particulars of the amounts so paid.

(3) Thereafter all fines realised from the employees and unpaid accumulations during the quarters, ending the 31<sup>st</sup> March, the 30<sup>th</sup> June, the 30<sup>th</sup> September and the 31<sup>st</sup> December shall be paid by the employer in the manner aforesaid to the Board by the 1<sup>st</sup> May, the 1<sup>st</sup> August, the 1<sup>st</sup> November and the 1<sup>st</sup> February, succeeding such quarter and a statement giving particulars of the amounts so paid shall be submitted by him along with such payment to the Welfare Commissioner.

Section 3(3)  
and 27 (2) (a)

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Substituted by Haryana Government Notification No. G.S.R.165/P.A./17/S. 27/71, dated 13.12.1971.

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(4) The receipt of every payment received by the Welfare Commissioner shall be acknowledged by him in writing to the employer.

(5) All the moneys belonging to the Fund shall be deposited in <sup>1</sup>[ any scheduled Bank] of India.

(6) (i) The Welfare Commissioner shall deposit the Cash, Bank Drafts, Cheques or postal Orders received from the employers, or any other source in <sup>1</sup>[any scheduled Bank] of India in the Current Accounts / Saving Bank Accounts/ Fixed Deposit Accounts of the Fund. The grants and subsidies received from the State Government shall also be deposited by the Welfare Commissioner into the said accounts ;

(ii) The Welfare Commissioner shall be the competent authority to operate upon the accounts of the Fund.

Section 3 (3)  
and 27 (1)

**4. Notice for payment of fines and unpaid accumulations by Welfare Commissioner. Sections 3(3) and 27(1).--** The Welfare Commissioner, may after making such enquires as he may deem fit and after calling for a report from the Inspector, if necessary, serve a notice on any employer to pay any portion of fines realised from the employees or unpaid accumulations held by him which the employer has not paid in accordance with rule 3. The employer shall comply with the notice within 14 days of the receipt thereof.

Section 3(3)

**5. Maintenance and Audit of Accounts. Section 3 (3).--** The accounts of the Fund shall be prepared and maintained by the Accounts Officer of the Board in such manner as may be prescribed by the Board with the approval of the State Government and shall be audited by the Accountant-General, <sup>2</sup>[ Haryana], once a year. The Welfare Commissioner shall be responsible for the disposal of the Audit Note. A separate Administration Account shall be maintained.

Section  
27 (1)

**5. Budget of the Board. Section 27 (1).--** (1) The budget estimates for each financial year shall be prepared and laid before the Board on or before 15<sup>th</sup> October of the previous financial year by the Welfare Commissioner and, after it is approved by the board shall be forwarded to the State Government for approval on or before 1<sup>st</sup> November. The State Government shall approve the Budget before 1<sup>st</sup> January after making such amendments and alterations as it considers necessary.

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1. Substituted by Haryana Government Notification G.S.R./34/P.A.17/65/S.27/74, dated 31<sup>st</sup> October, 1974.

2. Substituted by Haryana Government Notification G.S.R.165P.A. 17/S.27/71, dated 23<sup>rd</sup> December, 1971.

(2) The budget thus amended or altered and approved shall constitute the budget of the Board for the ensuing financial year and shall be issued under the seal of the Board and signed by the officer or officers of the Board duly authorised in this behalf. An authenticated copy of the budget shall be forwarded to the State Government before the 28<sup>th</sup> February.

**Section 27(1)**

**7. Additional Expenditure** .-- If during the course of the financial year it becomes necessary to incur expenditure over and above the provision made in the budget, the Board shall immediately submit to the State Government the details of the proposed expenditure and specify the manner in which it is proposed to meet the additional expenditure. The State Government may either approve the proposed expenditure after making such modifications, as it considers necessary or reject it. A copy of the order passed by the State Government on every such proposal to incur additional expenditure shall be communicated to the Board and the Accountant-General, <sup>1</sup>[Haryana].

**Section 4(3)  
and 27 (2) (c)**

**8. Constitution of the Board** .-- The Board shall consist of twelve members out of which four shall be representatives of employers, four of employees and four independent members including the Chairperson and the Vice-Chairperson<sup>2</sup>.

**Section  
27(2)(d)**

**9. Allowances of members** .-- (1) For attending meetings of the Board the members of the Board shall be entitled to the travelling and daily allowances as admissible to <sup>1</sup>[Haryana] Government officers drawing pay of Rs. 1,000 per month. Other condition as laid down in Travelling Allowance Rules for Government Servants will also apply to journey performed by members of the Board for the aforesaid purpose.

(2) The headquarters of the Board shall be at Chandigarh or at such place as the State Government may by notification specify.

(3) The Welfare Commissioner shall be the Controlling Officer in respect of the traveling allowances bills of the members of the Board.

**Section 8 and  
27(2)(d)**

**10. Meeting of the Board** .-- (1) The Board shall meet at least once every quarter and as often as may be necessary.

(2) All members of the Board shall be given at least seven days notice of a meeting specifying the date, time and place of the meeting and the business to be transacted there at:

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1. Substituted for the word 'Punjab' by Haryana Govt. notification dated 24<sup>th</sup> March, 1988(gazette notification dt. 12.4.88)
2. Substituted for the word "Chairman" by Chairperson and Vice-Chairperson by Haryana Govt. notification dt. 07.03.2014 (gazette notification dt. 07.03.14)

<sup>1</sup>[Provided that an emergent meeting can be called after 24 hours notice, if in opinion of the Chairperson<sup>3</sup>, business of an emergent nature has to be transacted].

<sup>4</sup>(3) The Chairperson and in his absence, the Vice-Chairperson and in the absence of both, a member of the Board nominated by the State Government shall preside over meeting of the Board.

**11. <sup>1</sup>[Quorum.--**The number of members necessary to constitute a quorum at a meeting of the Board shall be six including the Chairperson<sup>3</sup> provided that no matter concerning financing shall be decided unless there is a quorum of not less than 7 members including the Chairperson<sup>3</sup> present and voting].

**12. Adjournment of meetings.--** If there is no quorum as laid down in rule 11, the Chairperson<sup>3</sup> shall [ ]<sup>2</sup>adjourn the meeting to such hour on some other day as he may deem fit. A notice of such adjourned meeting shall be sent to every member of the Board and the business which would have been brought before the original meeting, had there been a quorum thereat, shall be brought before the adjourned meeting and disposed of at such meeting, whether there be a quorum or not.

**Section 8 & 27(2)(d)**

**13. Mode of exercising votes.--** Votes shall be taken by show of hands and the names of persons voting in favour and against any proposition shall be recorded only if any member requests the Chairperson<sup>3</sup> or the person presiding, as the case may be to do so.

**Section 27(2)(d)**

**14. Minutes of the meetings.--** The Board shall keep minutes of the proceedings of each meetings [ ]. A copy of such Minutes shall be submitted by the Board to the State Government as soon as they are confirmed by the Board.

**Section 9(3) & 27 (2) (e)**

**15. Notice under Section 9(3) .--** The notice required to be given under Section 9(3) shall be in form 'C'

**Section 10(3)**

**16. Application for grant of the Fund.--** (1) Any local authority or any other body except an employer may make an application to the Welfare Commissioner for a grant <sup>1</sup> [ from the funds], such an application shall be placed by the Welfare Commissioner before the Board within two months of its receipt <sup>2</sup>[ ] or the next meeting of the Board , whichever is later with his remarks. If the application is approved by the Board then the same shall be forwarded by the Welfare Commissioner to the State Government along with the recommendation of the Board, for obtaining the approval of the State Government .

(2) Within two months of the approval of the State Government , the Welfare Commissioner shall remit the amount so approved by means of demand draft or a cheque drawn on any Branch of <sup>1</sup> [ any Scheduled Bank] duly crossed. (payees account only)

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1. Substituted by Haryana Govt. Notification dated 24<sup>th</sup> March, 1988 (gazette notification dated 12.4.88)

2. Omitted by Haryana Govt. notification dated 24<sup>th</sup> March, 1988 (gazette notification dated 12.4.88)

3. Substituted for the word "Chairman" by Chairperson and Vice-Chairperson by Haryana Govt. notification dt. 07.03.2014 (gazette notification dt. 07.03.14)

4. Inserted by Haryana Govt. notification dt. 07.03.2014 (gazette notification dt. 07.03.14)

<b>Section 27(2)</b>	<p><b>17. Mode or payment .-</b>(1) All payments except the grants from the fund amounting to :-</p> <p>(a) Less than Rs. 50 shall be made in cash.</p> <p>(b) Rs. 50 or more shall be made by the cheque issued by the Welfare Commissioner, provided the Board may in any particular case or special reasons, authorise such payments also in cash.</p> <p>(2) The salaries of the staff of the Board shall be paid either in cash or by cheque.</p>
<b>Section 12 &amp; 27(2) (f)</b>	<p><b>18.<sup>1</sup>[Investment of Fund.--</b> Such portion of the fund as remained unutilized shall be invested by the Board in the National Saving Certificates or other securities referred to in section 20 of the India Trust Act, 1882.</p>
<b>Section 15(2)(b) &amp; 27 (2) (h)</b>	<p><b>19.Powers of Inspectors.--</b> Every Inspector shall have the power to require an employer to allow inspection of a document and to supply him a copy thereof or to give him a statement in writing.</p>
<b>Section 27 (2) (i)</b>	<p><b>20.Expenditure on the Staff and other administrative measures.--</b> The expenditure on the establishment of the Board shall not exceed 60 % of the annual income of the Board from the Fund].</p>
<b>Section 27(2)(k)</b>	<p><b>21. Publication of annual report of Board.--</b> The Board shall within three months of the date of the closing of each financial year, submit to the State Government for approval an audited statement of receipts and expenditure together with an annual report giving a detailed account of its activities during the year. After the said statement and report are approved by the State Government the Board shall cause the same to be published in such manner as it may deem fit.</p>
<b>Section 27(2)(i).-</b>	<p><b>22. Maintenance of register by certain employers.</b> (1) Every employer of an establishment shall maintain the following records :-</p> <p>(a) a register of wages in Form A.</p> <p>(b)a consolidated register of unclaimed wages and fines in Form B.</p> <p>Provided that if the information to be maintained in Form A and Form B is being maintained by the employer in any other register under any other law for the time being in force, he may not maintain such information in Form A and Form B.</p> <p>(2) Such employer shall by the 31<sup>st</sup> January every year forward to the Welfare Commissioner a copy of the extract from the register in Form B pertaining to the previous year.</p>

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1. Rules 18, 19 & 20 substituted by Haryana Govt. notification dated 24<sup>th</sup> March, 1988(gazette notification dt. 12.4.88)

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# FORM A

(See Rule 22)

## REGISTER OF WAGES

Serial No.	Name of the employee	Ticket and Beds No.	Occupation		Dearness Allowances & other allowances	Amount payable during the month		Amount s deducted during the month		Amount actually paid during the month	Dearness allowance & other allowance	Balance due to the employees	Bonus	Over times wages	Dearness allowances & other allowances	Bonu s
						Bonus	Fine	Other Deduction	Basic wages							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**FORM B**

( See Rule 22)  
**REGISTER OF FINES REALISED AND UNPAID  
ACCUMULATION FOR THE YEAR-----**  
-----

	During quarter ending 31 <sup>st</sup> March	During quarter ending 30 <sup>th</sup> June	During quarter ending 30 <sup>th</sup> Sep.	During quarter ending 31 <sup>st</sup> Dec.
1.Total realisation under fines ...				
2.Total amount becoming unpaid accumulations 1 of____				
3.(i)Basic Wage ...				
(ii)Overtime ...				
(iii) Dearness allowance and other allowance ...				
Total (1) (2)				

1. See definition of "unpaid accumulation" under section 2(10) of the Punjab Labour Welfare Fund Act, 1965. For example in the column for the quarter ending June, 1966 should be shown the payments which become due to the employees during the quarter January-March, 1965 and which have since remained unpaid.

**FORM C**

**(See Rule 15)**

**PUNJAB LABOUR WELFARE BOARD, CHANDIGARH**

**(constituted under the Punjab Labour Welfare Fund Act, 1965)**

**NOTICE**

No.                      Dated                      Chandigarh                      the                      197

**WHOM IT MAY CONCERN**

Whereas the Board has received certain amounts of money being unclaimed wages appearing herein under for their transfer to the Punjab Labour Welfare Fund.

And whereas, it is expedient to notify these unclaimed accumulations to the persons who may have any claim to these amounts.

Now, therefore, in accordance with the provisions of section 9(3) of the Punjab Labour Welfare Fund Act, 1965, the Board hereby exhibits/publishes the particulars of these amounts and invites application from the persons having any claim to these amounts duly supported by any proof to their claim being valid and notified after the expiry of a period of ----years----months from the date of this notice, no such claim shall be entertained and the amounts left unclaimed shall be treated as abandoned property and shall stand automatically transferred to the Punjab Welfare Fund.

Name and particulars of the persons	Name of the establishment (with address)	Amount Rs.       P.	Nature of dues	Period to which pertaining
1	2	3	4	5

Sd/-  
Welfare Commissioner  
for and on behalf of the Punjab  
Labour Welfare Board.

Sd/-  
Secretary to Government Punjab  
Labour Department.