



सत्यमेव जयते

The Gujarat Government Gazette

**EXTRAORDINARY
PUBLISHED BY AUTHORITY**

Vol. LXI |

FRIDAY, JULY 3, 2020/ ASADHA 12, 1942

Separate paging is given to this Part in order that it may be filed as a Separate Compilation.

PART IV

**Acts of Gujarat Legislature and Ordinances promulgated and Regulations
made by the Governor.**

LABOUR AND EMPLOYMENT DEPARTMENT

Sachivalaya, Gandhinagar. Dated the 3rd July, 2020.

GUJARAT ORDINANCE NO. 5 OF 2020.

AN ORDINANCE

*further to amend the Industrial Disputes Act, 1947 in its application to the
State of Gujarat.*

WHEREAS the Legislative Assembly of the State of Gujarat is not
in Session;

AND WHEREAS the Governor of Gujarat is satisfied that
circumstances exist which render it necessary for him to take immediate
action to amend the Industrial Disputes Act, 1947 in its application to the
State of Gujarat;

XIV of 1947.

AND WHEREAS instructions of the President under the proviso to clause (1) of article 213 of the Constitution of India have been obtained;

NOW, THEREFORE, in exercise of the powers conferred on him by clause (1) of article 213 of the Constitution of India, the Governor of Gujarat is hereby pleased to make and promulgate the following Ordinance, namely: -

1. Short title and commencement.- (1) This Ordinance may be called the Industrial Disputes (Gujarat Amendment) Ordinance, 2020.

(2) It shall come into force at once.

2. XIV of 1947 to be temporarily amended.- During the period of operation of this Ordinance, the Industrial Disputes Act, 1947 (hereinafter referred to as “the principal Act”), in its application to the State of Gujarat, shall have effect subject to the amendments specified in sections 3 to 5.

3. Amendment of section 25K of XIV of 1947. -- In the principal Act, in section 25K,-

(i) in sub-section (1), for the words “one hundred”, the words “three hundred” shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:-

“(1A) Without prejudice to the provisions of sub-section (1), the State Government may, if satisfied that the maintenance of industrial peace or prevention of victimization of workmen so requires, by notification in the *Official Gazette*, apply the provision of this Chapter to an industrial establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which such number of workmen which may be less than three hundred but not less than one hundred, as may be specified in the notification, were employed on an average per working day for the preceding twelve months.”.

4. Amendment of section 25N of XIV of 1947. -- In the principal Act, in section 25N,-

- (i) in sub-section (1), in clause (a), the words “or the workman has been paid in lieu of such notice, wages for the period of the notice” shall be deleted;
- (ii) in sub-section (9), the words “and an amount equivalent to his last three months average pay” shall be added at the end.

5. *Amendment of section 25O of XIV of 1947.* -- In the principal Act, in section 25-O, in sub-section (8), the words “and an amount equivalent to his last three months average pay” shall be added at the end.

STATEMENT

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

2. Existing provision of section 25K of the Industrial Disputes Act, 1947 provides for applicability of Chapter VB to such industrial establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which not less than one hundred workmen were employed on an average per working day for the preceding twelve months. In such establishments, prior permission of the State Government is to be required for the employer before effecting lay off, retrenchment or closure. It is considered necessary to have provision which would help and encourage the employers to employ more number of workers in the establishment and therefore, said section 25K is amended so as to increase the number of workmen from one hundred to three hundred.

3. Existing section 25N provides for conditions precedent to retrenchment of workmen. Under clause (a) of sub-section (1), it is required that three months' notice or in *lieu* of notice wages for notice period is to be given to the workers before retrenchment. To ensure that the employer shall only give notice of three months to such workmen, provision to give wages for notice period in *lieu* of notice is proposed to be deleted. Further, to provide additional financial security to the workman affected by such retrenchment, it considered necessary to amend sub-section (9) to the effect that in addition of that compensation, as prescribed in the said sub-section, the workman is paid an amount equivalent to his last three months average pay.

4. Similar provision is added in sub-section (8) of section 25-O providing for payment to the workman of an amount equivalent to his last three months average pay, along with compensation on prescribed rates, must also be paid to the workers who are being affected by the closure of the establishment.

As the Legislative Assembly of the State of Gujarat is not in session, the Industrial Disputes (Gujarat Amendment) Ordinance, 2020, in its application to the State of Gujarat, is promulgated to amend the said Central Act to achieve the aforesaid objects.

Gandhinagar.

Dated the 1st July, 2020.

ACHARYA DEVVRAT,

Governor of Gujarat.

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

VIPUL MITTRA,

Additional Chief Secretary to Government.
