

**Fifeenth Kerala Legislative Assembly**  
**Bill No. 71**

**THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS  
WORKERS' WELFARE FUND (AMENDMENT) BILL, 2021**

[Translation in English of “2021-ലെ കേരള ഷോപ്പ്സ് ആന്റ് കമേഴ്സ്യൽ എസ്റ്റാബ്ലിഷ്മെന്റ്സ് തൊഴിലാളി ക്ഷേമനിധി (ഭേദഗതി) ബിൽ” published under the authority of the Governor.]

THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS  
WORKERS' WELFARE FUND (AMENDMENT)  
BILL, 2021

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*further to amend the Kerala Shops and Commercial Establishments Workers' Welfare Fund Act, 2006.*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Shops and Commercial Establishments Workers' Welfare Fund Act, 2006 (24 of 2006) for the purposes hereinafter appearing;

BE it enacted in the Seventy-second Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Act, 2021.

(2) It shall be deemed to have come into force on the 24<sup>th</sup> day of February, 2021.

2. *Amendment of section 4.*— In sub-section (6) of section 4 of the Kerala Shops and Commercial Establishments Workers' Welfare Fund Act, 2006 (24 of 2006) (hereinafter referred to as the principal Act), for the figures, brackets and word, “(1) and (2)” the figures, brackets, symbol and word “ (1), (2) and (3)” shall be substituted.

3. *Repeal and saving.*— (1) The Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Ordinance, 2021(121 of 2021) is hereby repealed.

(2) Notwithstanding such repeal, anything done or deemed to have been done or any action taken or deemed to have been taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act, as amended by this Act.

## STATEMENT OF OBJECTS AND REASONS

Sub-section (1) of section 4 of the Kerala Shops and Commercial Establishments Workers' Welfare Fund Act, 2006 (24 of 2006) provides that every member shall contribute to the fund rupees fifty per month. Sub-section (2) of the said section provides that every employer shall contribute to the Fund, fifty rupees per month, in respect of each worker employed by him. Sub-section (3) of the said section provides that a self employed person shall pay rupees twenty every month in addition to the contribution to the Fund as per sub-section (1). Sub-section (4) of the said section provides that the Government shall contribute to the Fund by way of grant, an amount of rupees five per month paid by each member under sub-section (1). Sub-section (6) provides that the Government may, by notification in the Gazette, revise the rate of contribution specified in sub-section (1) and (2) and the rate of grant specified in sub-section (4), once in every three years taking into account the expenses required for the implementation of the scheme.

2. As per sub-section (6) of the said section, Government is empowered to revise the rate of contribution paid by each member, employer and the Government contribution under sub-section (1), (2) and (4) by notification in the Official Gazette. As per the existing provisions of the Act, additional contribution paid by the self employed persons under sub-section (3) cannot be revised by notification published in the Official Gazette.

3. In order to empower the Government to revise the additional contribution paid by the self employed persons by notification in the Official Gazette, the Government have decided to make suitable amendment in sub-section (6) of section 4 of the Kerala Shops and Commercial Establishments Workers' Welfare Fund Act, 2006 (24 of 2006).

4. Though a Bill, the Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Bill, 2018 was published as Bill No.167 of the Fourteenth Kerala Legislative Assembly, for the above said purpose, the same could not be introduced in, and passed by, the Legislative Assembly of the State of Kerala.

5. As the above proposal had to be given effect to immediately and the Legislative Assembly of the State of Kerala was not in session, the Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Ordinance, 2021(41 of 2021 ) was promulgated by the Governor of Kerala on the 23<sup>rd</sup> day of February, 2021 and the same was published in the Kerala Gazette Extraordinary No. 944 dated 24<sup>th</sup> day of February, 2021.

6. A Bill to replace the said Ordinance by an Act of the State Legislature could not be introduced in, and passed by the Kerala Legislative Assembly in its session which commenced on 24<sup>th</sup> day of May, 2021 and ended on the 10<sup>th</sup> day of June, 2021.

7. As the provisions of the said Ordinance had to be kept alive and the Legislative Assembly of the State of Kerala was not in session, the Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Ordinance, 2021( 77 of 2021) was promulgated by the Governor of Kerala on the 1<sup>st</sup> day of July, 2021 and the same was published in the Kerala Gazette Extraordinary No. 1959 dated 3<sup>rd</sup> day of July, 2021.

8. A Bill to replace the said Ordinance by an Act of the State Legislature could not be introduced in, and passed by, the Kerala Legislative Assembly during its session which commenced on 22<sup>nd</sup> day of July, 2021 and ended on the 13<sup>th</sup> day of August, 2021.

9. As the provisions of the said Ordinance had to be kept alive and the Legislative Assembly of the State of Kerala was not in session, the Kerala Shops and Commercial Establishments Workers' Welfare Fund (Amendment) Ordinance, 2021 (121 of 2021) was promulgated by the Governor of Kerala on the 23<sup>rd</sup> day of August, 2021 and the same was published in the Kerala Gazette Extraordinary No. 2470 dated 25<sup>th</sup> day of August, 2021.

10. The Bill seeks to replace Ordinance No.121 of 2021 by an Act of the State Legislature.

### FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

V. SIVANKUTTY.

EXTRACT FROM THE RELEVANT PORTION OF THE KERALA  
SHOPS AND COMMERCIAL ESTABLISHMENTS  
WORKERS' WELFARE FUND ACT,  
2006 (24 OF 2006)

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4. *Contribution to the Fund.*—(1) Every member shall contribute to the Fund rupees fifty per month.

(2) Every employer shall contribute to the Fund rupees fifty per month, in respect of each worker employed by him.

(3) A self employed person shall pay rupees twenty every month in addition to the contribution to the Fund as per sub-section (1).

(4) The Government shall contribute to the Fund by way of grant, an amount of rupees five per month for the amount paid by each member to the Fund per month under sub-section (1).

(5) The amount of contribution to be remitted as such shall be deposited in a Co-operative Bank recognized by the Board or Nationalised Banks or any institutions decided by the Government; for collecting such amount.

(6) The Government may, by notification in the Gazette, revise the rate of contribution specified in sub-section (1) and (2) and the rate of grant specified in sub-section (4), once in every three years taking into account the expenses required for the implementation of the scheme.

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