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**REPORT OF THE SUBJECT COMMITTEE**  
**ON**  
**THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS**  
**(AMENDMENT) BILL, 2014**  
**AND**  
**THE BILL AS REPORTED BY THE SUBJECT COMMITTEE**

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1471/2014.

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**SUBJECT COMMITTEE VII**  
**(POWER, LABOUR AND LABOUR WELFARE)**  
**(2013-2016)**

**Composition**

*Chairman :*

Shri Aryadan Muhammed,  
Minister for Power.

*Ex-officio Member :*

Shri Shibu Baby John,  
Minister for Labour and Skill.

*Members :*

Shri A. K. Balan  
Shri M. Chandran  
Shri P. K. Gurudasan  
Shri M. Hamsa  
Shri P. A. Madhavan  
Shri N. A. Nellikkunnu  
Shri A. K. Saseendran  
Shri K. Sivadasan Nair  
Shri M. A. Vaheed.

*Legislature Secretariat :*

Shri P. D. Sarangadharan, Secretary  
Smt. J. Mary Gracy, Joint Secretary  
Shri T. M. Ratnakaran, Deputy Secretary  
Smt. Rejani, V. R., Under Secretary.

THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS  
(AMENDMENT) BILL, 2014

(Report of the Subject Committee)

Subject Committee VII (Power, Labour and Labour Welfare) to which The Kerala Shops and Commercial Establishments (Amendment) Bill, 2014 was referred considered the Bill clause by clause and now submits this report with the Bill as reported by the Subject Committee annexed thereto.

2. The Kerala Shops and Commercial Establishments (Amendment) Bill, 2014 was published as a Gazette Extraordinary dated November 29, 2014. The Bill was introduced in the Assembly on December 3, 2014 and was referred to the Subject Committee on the same day.

3. The Committee considered the Bill clause by clause at the meeting held on December 10, 2014 and the Committee recommends to adopt the Bill with the following modifications:—

*Clause 5*

1. In clause (a) of sub-section (1) of section 29 of the principal Act proposed to be amended by clause 5(1)(i)(b), for the words “one hundred rupees” the words “two hundred and fifty rupees” shall be substituted.
2. In clause (b) of sub-section (1) of section 29 of the principal Act proposed to be amended by clause 5(1)(ii), for the words “one hundred rupees” the words “two hundred and fifty rupees” shall be substituted.
4. The minutes of dissent are appended.

Thiruvananthapuram,  
10th December, 2014.

ARYADAN MUHAMMED,  
*Chairman,*  
*Subject Committee VII.*

## MINUTES OF DISSENT

Though the proposed amendment for issue of appointment letter, prohibition in retaining qualification certificates and issue of service certificate are acceptable these do not address the basic issues faced by the labourers of the small, medium and large shops and other commercial establishments. It is known to every one that the labourers have to work for more than twelve hours without any overtime and that too on paltry wages. No effort was made to revise the minimum wages of these labourers and the Government has failed to ensure even the insufficient minimum wages fixed are paid to them fully. Leave of any kind, including maternity leave to the women employees, is not admitted. No facility for basic needs is created. Idle time or recess is not allowed. All the Trade Unions, including those show affinity to the ruling front, have raised these issues but the department failed to deliver. With this background the minor concessions are only to eyewash.

The amendment that every employer of a big establishment employing more than fifty employees shall provide hostel facilities to employees, legitimise the inhuman treatment meted out to the labourers by small, medium and big establishments having less than fifty employees without providing basic amenities. Even where hostel facilities are envisaged the bill failed to ensure this would facilitate convenience to the labourers instead of a mere night shelter that may enable them to engage the labourers for more hours.

The Government remained a mute spectator of the anti labour laws passed by the Union Government with the aid and support of the main opposition bloc there. The proposal to increase the penalty in certain cases, is not sufficient to cover silence of the Government against the anti labour laws and, therefore, casts shadow over the intention.

In the circumstances we record our dissent on the Report of the Subject Committee.

P. K. GURUDASAN (Sd.)

M. HANSA (Sd.)

10-12-2014.

x

വിയോജനക്കുറിപ്പ്

2014-ലെ കേരള കടകളും വാണിജ്യസ്ഥാപനങ്ങളും (ഭേദഗതി) ബിൽ-ലെ ഉള്ളടക്കം അപര്യാപ്തമായതിനാൽ ഞാൻ ബില്ലിനെ സംബന്ധിച്ച സബ്ജക്ട് കമ്മിറ്റി റിപ്പോർട്ടിന്മേൽ വിയോജനം രേഖപ്പെടുത്തുന്നു.

എ. കെ. ശശീന്ദ്രൻ (ഒപ്പ്)

10-12-2014.

THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS  
(AMENDMENT) BILL, 2014

(As reported by the Subject Committee)

[The words underlined indicate the modification suggested by the Committee.]

A

*BILL*

*further to amend the Kerala Shops and Commercial Establishments Act, 1960.*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Shops and Commercial Establishments Act, 1960, for the purposes hereinafter appearing;

BE it enacted in the Sixty-fifth 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 (Amendment) Act, 2014.

(2) Sections 2 to 4, clauses (1) to (3) of section 5 and clause (1) of section 6 of this Act shall be deemed to have come into force on the 29th day of August, 2014 and clause (4) of section 5 and clause (2) of section 6 shall come into force at once.

2. *Amendment of section 2.*—In section 2 of the Kerala Shops and Commercial Establishments Act, 1960 (34 of 1960) (hereinafter referred to as the principal Act),—

(1) after clause (1), the following clause shall be inserted, namely:—

“(1A) “big establishment” means a shop or commercial establishment which employs twenty or more employees.”.

(2) for clause (8), the following clause shall be substituted, namely:—

“(8) “establishment” means a shop or commercial establishment which may be a small establishment, a medium establishment or a big establishment.”.

(3) after clause (10), the following clause shall be inserted, namely:—

“(10A) “medium establishment” means a shop or commercial establishment which employs six or more, but less than twenty employees.”.



(4) after clause (15), the following clause shall be inserted, namely:—

“(15A) “small establishment” means a shop or commercial establishment which employs no employee or not more than five employees.”.

3. *Insertion of Chapter 1B.*—After Chapter 1A of the principal Act, the following Chapter shall be inserted, namely:—

“CHAPTER 1B

CONDITIONS FOR ENGAGING EMPLOYEES

5D. *Issue of appointment letter.*—Every employer in a big establishment shall issue an appointment letter, in such manner as may be prescribed, to his employees at the time of appointment.

5E. *Prohibition of retaining education certificate or experience certificate.*—No educational certificate or experience certificate in original received from an employee shall be retained by the employer of any establishment at the time of appointment or during the course of employment.

5F. *Issue of service certificate.*—Every employer shall provide service certificate to the employee engaged by him, in such manner as may be prescribed, at the time of resignation or retrenchment or superannuation of the employee or while applying for another job.”.

4. *Insertion of section 21A.*—In Chapter VI of the principal Act, after section 21, the following section shall be inserted, namely:—

“21A. *Hostel facilities.*—Every employer of a big establishment employing more than fifty employees shall provide hostel facilities to such employees, in such manner as may be prescribed.”.

5. *Amendment of section 29.*—In Chapter VIII of the principal Act, in section 29,—

(1) in sub-section (1),—

(i) in clause (a),—

(a) for the word “two hundred and fifty rupees” the words “five thousand rupees” shall be substituted;

(b) for the words “ten rupees” the words “two hundred and fifty rupees” shall be substituted.

(ii) in clause (b) for the words “ten rupees” the words “two hundred and fifty rupees” shall be substituted.

(2) in sub-section (1A),—

(a) before the figure “6” the figures and letters, “5D, 5E, 5F” shall be inserted;

(b) after the figure “21” the figure and letter “21A” shall be inserted;

(c) for the words “two hundred and fifty rupees” the words “five thousand rupees” shall be substituted;

(d) for the words “five hundred rupees” the words “ten thousand rupees” shall be substituted.

(3) in sub-section (2), for the words “fifty rupees” the words “two thousand and five hundred rupees” shall be substituted.

(4) in sub-section (4), for the words “Magistrate of a Second class” the words “Magistrate of the First class” shall be substituted.

6. *Amendment of section 34.*—In section 34,—

(1) in sub-section (2) after the word “health”, the word “sanitation”, shall be inserted;

(2) in sub-section (3), for the words “fifty rupees” the words “five thousand rupees” shall be substituted.

7. *Repeal and Saving.*—(1) The Kerala Shops and Commercial Establishments (Amendment) Ordinance, 2014 (20 of 2014) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action 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.

Secretariat of the Kerala Legislature,  
Thiruvananthapuram,  
10th December, 2014.

P. D. SARANGADHARAN,  
*Secretary.*