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## **RAJASTHAN SHOPS AND COMMERCIAL ESTABLISHMENTS (EMPLOYEES LIFE INSURANCE) ACT, 1987**

**11 of 1987**

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### **SCHEDULE 1 :- SCHEDULE**

## **RAJASTHAN SHOPS AND COMMERCIAL ESTABLISHMENTS (EMPLOYEES LIFE INSURANCE) ACT, 1987**

**11 of 1987**

### **1. Short title, commencement and application :-**

This Act may be called the Rajasthan Shops and Commercial Establishments (Employees Life Insurance) Act, 1987. (2) It shall come into force on such date as the State Government may, by Notification in the Official Gazette, appoint. (3) It shall apply, in the first instance, to all the shops and establishments in the cities mentioned in the Schedule appended to this Act. (4) The State Government may, after publishing in the Official Gazette not less than three months notice of its intention so to do, add to the Schedule, by Notification in the Official Gazette, any place, town or

city in which the provisions of this Act are intended to be made applicable and, thereupon, the Schedule shall be deemed to have been amended accordingly and, thereafter, this Act shall also apply to all the shops and establishments of such place, town or city.

## **2. Definitions :-**

(1) In this Act unless there is anything repugnant in the subject or context,-- (a) "continuous service" means the uninterrupted service rendered by an employee before or after the application of this Act to the establishment in which he is employed and shall also include the period of absence of an employee on account of sickness, accident, leave, lay off, strike or lock-out or cessation of work not due to any fault of such employee; (b) "contribution" means the sum of money payable as contribution in accordance with the provisions of Section 6; (c) "Inspector" means the person appointed as an Inspector under Section 8; (d) "Prescribed Authority" means the Authority prescribed by the rules made under this Act; (e) "qualified employee" means an employee qualified under Section 5; (f) "scheme" means a life insurance scheme made under Section 3; and (g) "wages" mean wages as defined in the Payment of Wages Act, 1936 (Central Act 4 of 1936). (2) Words and expressions used, but not defined in this Act, shall have the meanings respectively assigned to them in the Rajasthan Shops and Commercial Establishments Act, 1958 (Rajasthan Act 31 of 1958), as amended from time to time

## **3. Life Insurance Scheme :-**

(1) Subject to the other provisions of this Act, the State Government may, by Notification in the Official Gazette, make a life insurance scheme for providing insurance on the lives of all qualified employees engaged in an establishment to which this Act applies. (2) A Scheme under this Act may provide for all or any of the following matters, namely:-- (a) the plan of assurance, (b) the sum assured, (c) the rates of contribution, (d) the proof of age of the qualified employee, (e) nomination by a qualified employee of a person to whom the sum assured is payable and the manner of making such nomination, and (f) such other matters relating or incidental to the scheme, as may be prescribed.

## **4. Limitations of the scheme :-**

No scheme shall provide for-- (a) insurance on the life of a qualified employee for a sum less than five thousand rupee; and (b) a rate of contribution from each qualified employee or from an employer

with respect to each such employee at an amount lower than Rs. 12/- and higher than Rs. 18/- per annum.

## **5. Qualifications of employees for benefit of life insurance**

**:-**

No employee shall be qualified for the benefit of the life insurance under the scheme unless on the qualifying date,-- (a) he is a full-time employee; (b) he has attained the age of eighteen years but has not attained the age of sixty years; and (c) he has been in continuous service for a period of six months immediately preceding the said date. Explanation.-- For the purpose of this section,-- (i) a "full-time employee" means an employee who is engaged to work on a day for such time as is not less than a normal working day within the meaning of the Minimum Wages Act, 1948 (Central Act 11 of 1948); (ii) an employee who has not rendered uninterrupted service for six months shall be deemed to be in continuous service if he has been actually employed for not less than 120 days by an employer during six months immediately preceding the qualifying date; and (iii) "qualifying date" means the first day of January or a year.

## **6. Contributions :-**

(1) The contribution payable under this Act in respect of a qualified employee shall comprise-- (i) the contribution payable by the employer (hereinafter referred to as the "employers contribution"); and (ii) the contribution payable by the qualified employee (hereinafter referred to as the "employees contribution"). (2) The contribution shall be paid to the Prescribed Authority in such manner as may be prescribed and at such rates as may be specified in the scheme. (3) A year shall be the unit in respect of which all contributions shall be payable. (4) The contribution payable in respect of each year shall fall due on the first day of January of such year. (5) Every employer shall be liable to pay to the Prescribed Authority both the employers contribution and the employees contribution and the same shall be paid before such date of the year to which the contribution relates as may be notified by the State Government. (6) Notwithstanding anything contained in any law for the time being in force but subject to the provisions of this Act and the rules made thereunder, the employer shall be entitled to recover from the qualified employee the employees contribution by deduction from his wages in the manner as may be prescribed. Such deduction shall be deemed to be a deduction authorised by or under the Payment of Wages Act, 1936

(Central Act 4 of 1936); Provided that no deduction shall be made from such wages as is in excess of the sum representing the employees contribution. (7) Notwithstanding any contract to the contrary, no employer shall be entitled to deduct the employers contribution from the wages payable to an employee or otherwise to recover it from the employee. (8) Any sum duly deducted by an employer from the wages of an employee under this Act shall be deemed to have been entrusted to the employer by the employee for the purpose of contribution in respect of which it was deducted. (9) The employer shall remit the contribution to the Prescribed Authority by cheque or money order or in cash and shall bear the expenses of such remittance. (10) Where a qualified employee in respect of whom the employer has paid contribution under subsection (5) ceases at any time during the year to which the contribution relates, to be an employee of an establishment, the insurance cover on his life shall continue until the end of such year and the employer shall be entitled to deduct from the amounts due from the employer to the employee the aggregate of the employees contribution which would have become deductible from his wages till the end of such year.

## **7. Duties of the Prescribed Authority :-**

It shall be the duty of the Prescribed Authority to enforce the provisions of this Act subject to the general control and supervision of the State Government or the officer empowered by the State Government in this behalf.

## **8. Appointment of Inspectors :-**

It shall be the duty of the Prescribed Authority to enforce the provisions of this Act subject to the general control and supervision of the State Government or the officer empowered by the State Government in this behalf.

## **9. Power and duties of Inspectors :-**

Subject to the rules made by the State Government in this behalf, an Inspector may, within the local limits assigned to him,-- (a) enter, at all reasonable times, accompanied by such persons in the service of the Government as he thinks fit, any place which he has reason to believe to be an establishment; (b) make inspection of the premises or any accounts, registers, records or documents pertaining to the employees and take evidence of any person, as he may deem necessary, for carrying out the purposes of this Act; and (c) exercise such other powers, as may be prescribed, for carrying

out the purposes of this Act.

**10. Employer to furnish return and maintain registers :-**

(1) Every employer shall furnish to the Prescribed Authority the return in such form, in such manner, for such period and within such time, as may be prescribed, relating to the persons employed by him or to an establishment in respect of which he is an employer. (2) Where in respect of any establishment, the Prescribed Authority has reasons to believe that the return required to be furnished under sub-section (1) has not been so furnished, such Authority may require the employer to furnish such particulars as it may consider necessary for enabling it to decide whether such establishment is an establishment to which this Act applies. (3) Every employer shall maintain such registers or records in respect of his establishment as may be prescribed.

**11. Employer to produce registers, records, etc. for inspection :-**

Every employer shall, on demand by the Prescribed Authority or an Inspector, produce for inspection all accounts, registers, records, and documents required to be kept under and for the purposes of this Act.

**12. Penalty and Offences :-**

(1) If any employer-- (a) fails to pay the contribution which he is liable to pay under section 6; (b) deducts or attempts to deduct from the wages of an employee the whole or any part of the employers contribution; (c) fails or refuses to furnish any return or to maintain any registers or records required under section 10; (d) furnishes a false return; or (e) fails to comply with or contravenes any of the provisions of this Act or the rules made thereunder,-- the Prescribed Authority may, after giving such employer a reasonable opportunity of being heard, direct such employer to pay for each default, by way of penalty, a sum not exceeding Rs. 50/-. (2) If any person voluntarily obstructs the Prescribed Authority or any Inspector or any person in the services of the Government in the discharge of his duties under this Act, he shall be punishable with imprisonment, which may extend to three months, or with fine which may extend to five hundred rupees or with both.

**13. Recovery of contribution :-**

Any amount payable as contribution or by way of penalty under this Act shall, without prejudice to any other mode of recovery, be recoverable as an arrear of land revenue.

**14. Indemnify :-**

No suit, prosecution or other legal proceeding shall lie against the State Government or any officer of the State Government for anything which is in good faith done or intended to be done in pursuance of the provisions of this Act or the rules made thereunder.

**15. Exemptions :-**

(1) Nothing in this Act shall apply to-- (a) the establishments to which the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (Central Act 19 of 1952) applies; (b) offices of the Reserve Bank of India and the banks included in the Second Schedule appended to the Reserve Bank of India Act, 1934 (Central Act 2 of 1934); (c) the establishments meant for the treatment or the care of the infirm or the mentally unfit; and (d) the establishments of the Central Government or the State Government or local authorities. (2) The State Government may, by Notification in the Official Gazette, exempt any establishment or class of establishments from all or any of the provisions of this Act subject to such conditions and for such period as may, be specified in such Notification.

**16. Prescribed Authority and Inspectors to be public servants :-**

The Prescribed Authority and the Inspectors appointed under, this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

**17. Power to make rules :-**

(1) The State Government may, by Notification in the Official Gazette, make rules for carrying into effect the provisions of this Act. (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-- (a) the matters relating or incidental to the scheme; (b) the return to be furnished under sub-section (1) of section 10, the authority to which and the form in which such return shall be furnished and the particulars relating to the person employed by an employer or to an establishment in respect of which he is an employer to be specified in such form; (c) the registers or records to be maintained by an employer under sub-section (3) of section 10; (d) such other powers as may be exercised by an Inspector under clause (c) of section 9; and (e) any other matter which is to be or may be prescribed. (3) The

power to make rules conferred by this section shall be subject to the condition of their previous publication in the Official Gazette: Provided that if the State Government is satisfied that circumstances exist which render it necessary to take immediate action, it may dispense with the previous publication of any rule to be made under this section. (4) All rules made under this Act shall be laid, as soon as may be after they are made, before the House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or two or more successive sessions, and if, before the expiry of the session in which they are so laid or the successive sessions aforesaid, the House agrees in making any modification in the rules or resolves that the rules should not be made, the rules 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 these rules.

**18. Repeal and Savings :-**

(1) The Rajasthan Shops and Commercial Establishments (Employees Life Insurance) Ordinance, 1986 (Ordinance No.13 of 1986) is hereby repealed. (2) Notwithstanding such repeal, all things done, actions taken or orders made under the said Ordinance shall be deemed to have been done, taken or made under this Act.

**SCHEDULE 1**

**SCHEDULE**

(See sub-section (3) of section 1)

Shops and establishments in the cities of Jaipur, Jodhpur, Ajmer, Kota, Bikaner, Udaipur, Alwar, Bhilwara, Sri Ganganagar, Bharatpur and Sikar.