

UTTAR PRADESH INDUSTRIAL PEACE (TIMELY PAYMENT OF
WAGES) ACT, 1978¹

(U.P. ACT No. 50 of 1978)

Amended by

(U.P. ACT No. 33 of 2021)

[Passed in Hindi by the Uttar Pradesh Legislative Assembly
on March 30, 1978 and by the Uttar Pradesh Legislative Council
on April 11, 1978.]

Received the assent of the Governor on April 16, 1978
under Article 200 of the Constitution of India and was published
in the *Uttar Pradesh Gazette Extraordinary*, dated April 18,

1978.]

AN

ACT

*to provide, in the interest of maintenance of industrial
peace, for timely payment of wages in bigger
industrial
establishments and for matters connected therewith;*

It is hereby enacted in the Twenty-ninth Year of the Republic of

India as follows:—

Short title,
extent and
commencement

1. (1) This Act may be called the Uttar Pradesh Industrial Peace

(Timely Payment of Wages) Act, 1978.

(2) It extends to the whole of Uttar Pradesh.

(3) It shall be deemed to have come into force on December 12,

1977.

Definitions

2. In this Act,—

(a) “industrial establishment” means any factory, workshop or
other establishment in which articles are produced,
processed,

adopted or manufactured with a view to their use, transport or sale;

(b) “Labour Commissioner” includes an officer, not below the
rank of an Assistant Labour Commissioner, authorized by him to
discharge, exercise and perform the duties, powers and functions of a

Labour Commissioner under this Act;

(c) “occupier” in relation to an industrial establishment, means
the employer of workmen employed in such establishment, and
includes in the case where the employer is a company the Managing
Director and where it is a firm the partner designated in that behalf by
the firm and in case of any other employer an officer designated in that
behalf by the employer with his consent and whose name is intimated
by the employer to the Labour Commissioner in the prescribed form by
the prescribed date;

(d) “wage-bill” means the total amount of wages payable by an
industrial establishment to its workmen;

¹ For SOR see at the end of this Act.

[Uttar Pradesh Industrial Peace (Timely Payment of Wages) Act, 1978]

(e)“wages”shallhavethemeaningassignedtoitinthePayment ofWagesAct,1936;

(f)“workmen”shallhavethemeaningassignedtoitintheU.P. Industrial DisputesAct,1947;

(g)anoccupierofanindustrial establishmentshallbedeemedto bein“default”ofpaymentofwagesifsuchwagesarenotpaidwithin timeasprovided insection5ofthePaymentofWagesAct,1936.

Recovery of 3.(1)WheretheLabourCommissionerissatisfiedthatthe wagesin certain occupierofanindustrialestablishmentisindefaultofpaymentof industrial wagesandthatthewage-billinrespectofwhichsuchoccupierisin establishments asarrearoof defaultexceedsfiftythousandrupees,hemay,withoutprejudicetothe landrevenue provisionsofsections5and6,forwardtotheCollector,acertificate underhissignaturespecifyingtheamountofwagesduefromthe industrial establishmentconcerned.

(2)Uponreceiptofthecertificatereferredtoinsub-section(1), theCollectorshallproceedtorealize,fromtheindustrialestablishment, theamountspecifiedtherein,besidesrecoverychargesattherateoften percent,asifsuchamountwereanarrearoofland revenue.

(3) The amountrealizedundersub-section(2) shall,after deductingtherecoverycharges,beplacedatthedisposaloftheLabour Commissionerwhoshalldisbursethesameorcauseittobedisbursed amongtheworkmen entitledthereto.

(4)Wheretheamountsorealizedfallsshortofthewage-billin respect of which the occupier has been in default, the Labour Commissionermayarrangefordisbursementofsuchproportionof respective proportions of the wages due to various categories of workmenashemaythinkfit.

(5)Theliabilityoftheoccupiertowards eachworkmaninrespect ofpaymentofwages,shall,totheextentoftheamountpaidtosuch workmenunderthissectionstanddischarged.

Power of 4. For the purposes of ascertaining the wage-bill of an Labour establishmentinrespectofwhichdefaulthasbeencommittedthe commissioner

LabourCommissionershallhaveallthepowersofaCivilCourt,while tryingasuit,undertheCodeofCivilProcedure,1908inrespectof enforcingtheattendanceofwitnessesandexaminingthemonoathand compellingtheproductionofdocumentsandshallbedeemedtobe a civilcourtforthepurposesofsection195andChapterXXVIofthe CodeofCriminalProcedure,1973.

Penalties 5.(1)Nooccupierofanindustrialestablishmentshallatany time,beindefault ofawage-bill exceedingrupees onelakh.

(2) Every occupier who contravenes the provisions of sub-section(1)shallbepunishablewith[finewhichshallnotbeless thanrupeesfiftythousandbutmayextendtorupeesonelakh].

Provided that the Court may for any adequate and special reason to be recorded impose a
[penalty of less than rupees fifty thousand].

Offences by

companies

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offence

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6.(1) If the person committing an offence under this Act is a company, the company as well as every person in charge of and responsible to the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any managing agent, secretaries and treasurers, director, manager, or other officer of the company, such managing agent, secretaries and treasurers, director, manager or other officer of the company shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation—For the purpose of this section,—

(a) “company” means any body corporate and include a firm or other association of individuals, and

(b) “director” in relation to a firm, means a partner in the firm.

Protection

**for action
taken in good**

or faith

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Rule-making

power

Repeal and

saving

U.P.

7. No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or purported to be done in pursuance of the provisions of this Act or a rule or order made thereunder.

8.

The State Government may, by notification, make rules for carrying out the purposes of this Act.

9.(1) The Uttar Pradesh Industrial Peace (Timely Payment of Wages) Ordinance, 1977 is hereby repealed.

Ordinance

(2) Notwithstanding such repeal, anything done or any action
no. 20 of
taken under the aforesaid Ordinances shall be deemed to have been
done 1977
or taken under this Act as if the provisions of this
Act were in force at all material times.

[1. Sub. By Sec. 2\(ii\) of the U.P. Act no. 33 of 2021.](#)

[Uttar Pradesh Industrial Peace (Timely Payment of Wages) Act, 1978]

STATEMENT OF OBJECTS AND REASONS

Delays in payment of wages of workmen lead to simmering discontent among them. Sometimes a grave threat to law and order is also posed on this account.

2. The provisions of the Payment of Wages Act, 1936 have been found to be inadequate to ensure timely payment of wages. The incidence of disturbance of industrial peace being greater in comparatively bigger establishments, it was considered necessary to provide that if the wage bill in default exceeds fifty thousand rupees the amount should be recoverable as arrears of land revenue. Further, in order to curb the tendency of the employers to keep large amounts of wages in arrears, it was also considered necessary to make it a penal offence to be in default of a wage bill exceeding rupees one lakh. Since the State Legislature was not in session and the situation warranted immediate action, the Governor of Uttar Pradesh promulgated the Uttar Pradesh Industrial Peace (Timely Payment of Wages) Ordinance, 1977 on December 12, 1977.

3. The Uttar Pradesh Industrial Peace (Timely Payment of Wages) Bill, 1978 is accordingly being introduced to replace the said Ordinance.