

Fourteenth Kerala legislative Assembly

Bill No. 240

**THE KERALA COIR WORKERS' WELFARE FUND
(AMENDMENT) BILL, 2020**

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further to amend the Kerala Coir Workers' Welfare Fund Act, 1987.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Coir Workers' Welfare Fund Act, 1987 (34 of 1987) for the purposes hereinafter appearing;

BE it enacted in the Seventieth year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Coir Workers' Welfare Fund (Amendment) Act, 2020.

(2) It shall come into force at once.

2. *Amendment of section 4.*—In section 4 of the Kerala Coir Workers' Welfare Fund Act, 1987 (34 of 1987),—

(1) in sub-section (1), for the words “five rupees”, the words “twenty rupees” shall be substituted;

(2) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The Government shall contribute to the Fund every year an amount equal to fifty percent of the amount contributed by the coir workers and self employed persons, by way of grant, subject to a maximum of rupees ten per capita, per month.”.

STATEMENT OF OBJECTS & REASONS

The source of income to the Kerala Coir Workers Welfare Fund Board constituted as per the Kerala Coir Workers' Welfare Fund Act 1987 are the contribution from Coir Workers, proportionate grant from the Government and the contribution from producers and exporters of Coir and Coir Products. As per sub-section (1) of section 4 of the said Act, every coir worker and self employed

person shall contribute to the fund five rupees per month and the contribution by the coir worker shall be paid directly or through the employer.

In order to increase the financial resources of the Fund, it is proposed to amend the Kerala Coir Workers' Welfare Fund Act, 1987, for enhancing the monthly contribution payable by the coir workers and self employed persons to the fund from rupees five to rupees twenty. The Bill also intends to amend subsection (3) of section 4 of the Act to provide that Government shall contribute to the Fund every year an amount equal to fifty percent of the amount contributed by the coir workers and self employed persons, subject to a maximum of rupees ten per capita per month.

The Bill is intended to achieve the above said object.

FINANCIAL MEMORANDUM

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

DR. T. M. THOMAS ISAAC.

EXTRACT FROM THE KERALA COIR WORKERS' FUND ACT, 1987
(34 OF 1987)

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4. *Contribution payable to the Fund.*—(1) Every coir worker and self employed person shall contribute to the Fund five rupees per month and the contribution by the coir worker shall be paid directly or through the employer:

Provided that a coir worker or a self employed person who has not become a member of the Fund before the 30th day of September, 1997 shall become a member of the Fund if he pays to the Fund an amount equivalent to the contribution payable by him, had he been a member for the period prior to the 30th day of September, 1997, within nine month from the said date:

Provided further that the arrears of contribution, if any, for any period prior to the 30th day of September, 1997, payable by a member shall be allowed to be paid waving interest and penalty if such payment is made before the 30th day of September, 1998.

(2) Every employer, producer of coir products and dealer shall pay to the Fund a contribution at the rate shown in the Annexure per year.

(3) The Government shall contribute to the Fund every year an amount equal to twice the amount contributed by the coir workers and self employed persons, by way of grant.

(4) Every exporter shall with effect from the 1st day of October, 1989 pay to the fund every year an amount equal to 0.75 per cent of the F.O.B. value of his annual exports by way of contribution:

Provided that the contribution payable by producers of coir products, dealers or exporters, as the case may be, till the 30th day of September, 1997 shall be calculated at the revised rates and excess payments, if any, shall also be adjusted against future payments and arrears, if any, may be allowed to be paid in suitable quarterly instalments not exceeding twenty, after waiving interest and penalty on such arrears:

Provided further that the instalment facility for payment of arrears and waiver of interest and penalty shall be extended only if the current contributions are paid without default along with instalments of arrears.

(5) Every producer of coir products and every dealer shall contribute to the fund an amount equal to one per cent of their sale proceeds in a year.

(6) The contribution shall be paid to the Chief Executive Officer or to any officer of the Board authorised by the Board in this behalf.

(7) Where the amount of any contribution payable under this Act involves a fraction of a rupee, the scheme may provide for the rounding off of such fraction to the nearest rupee.

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