

## Minimum Wages Act, 1948

### Section 22C - Offences by Companies

---

1 [22C. Offences by companies.--

(1) If the person committing any offence under this Act is a company, every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company 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 provided in this Act 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 an 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 is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary 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 purposes of this section,--

(a) "Company" means any body corporate and includes a firm or other association of individuals; and

(b) "director" in relation to a firm means a partner in the firm.]

#### STATE AMENDMENTS

Madhya Pradesh--After section 22C add the following:--

"22CC. Liability of principals in certain cases--

(1) Subject to the provisions of subsection (2), where in any scheduled employment in respect of which minimum rate of wages have been fixed under this Act, any person (hereinafter in this section referred to as principal) contracts with any other person (hereinafter in this section referred to as contractor) for having any goods made for sale for the purposes of the trade or the principal either wholly or partly out of materials supplied to the contractor by the principal, then notwithstanding that the employees for making such goods are employed by the contractor, the principal shall also in addition to the contractor be for all purposes of this Act to be the employer in relation to the employees:

Provided that where by virtue of the provision of sub-section (1), a principal is convicted of an offence punishable under section 22, he shall be punishable only with fine as provided for in that section.

(2) The provisions of this section shall apply only to such scheduled employments as the State Government may, by notification, specify in this behalf," [Vide M.P. Act 11 of 1959, sec. 2 (w.e.f. 12-6-1959) as amended by M.P. Act 23 of 1961, sec. 21(b) (w.e.f. 23-6-1961)]

Uttar Pradesh--In its application to the State of Uttar Pradesh, after section 22C insert section 22CC, as under:--

"22CC. Compounding of offences.--An officer specially empowered by the State Government in this behalf by notification may, subject to any general or special order of the State Government in this behalf, compound any offence punishable under this Act with fine only committed for the first time, either before or after the institution of the prosecution, on realisation of such amount of composition fee as he thinks fit, not exceeding the maximum amount of fine fixed for the offence; and where the offence is so compounded--

(i) before the institution of the prosecution, the offender shall not be liable to prosecution for such offence and shall, if in custody, be set at liberty;

(ii) after the institution of the prosecution, the composition shall amount to acquittal of the offender." [Vide U.P. Act 35 of 1979, sec. 5 (w.e.f. 21-12-1979)]

---

1. Inserted by Act 30 of 1957, section 14 w.e.f. 17-9-1957.

---

---

**SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com**