

ACT NO. XII OF 1920.

[PASSED BY THE INDIAN LEGISLATIVE COUNCIL.]

*(Received the assent of the Governor General on the 12th March,
1920.)*An Act further to amend the Workman's
Breach of Contract Act, 1859.**W**HEREAS it is expedient further to amend the ^{XIII of 1859.}
Workman's Breach of Contract Act, 1859; It
is hereby enacted as follows:—

Short-title.

1. This Act may be called the Workman's Breach
of Contract (Amendment) Act, 1920.Amendment
of section 1,
Act XIII of
1859.2. (1) Section 1 of the Workman's Breach of
Contract Act, 1859 (hereinafter referred to as the ^{XIII of 1859.}
said Act) shall be re-numbered sub-section (1) of
section 1.

(2) In the said sub-section—

(a) after the words "an advance of money" the
words "not exceeding three hundred
rupees" shall be inserted; and(b) the words "and the Magistrate shall there-
upon issue" to the end of the section shall
be omitted.(3) To the said section the following sub-sections
shall be added, namely:—" (2) The Magistrate shall at once examine the
complainant on oath, and may thereupon
dismiss the complaint if in his opinion
there is no sufficient ground for pro-
ceeding.(3) If in the opinion of the Magistrate there is
sufficient ground for proceeding, he shall
issue

issue a summons or warrant, as he may think proper, for bringing before him such artificer, workman or labourer, and shall hear and determine the case."

3. For section 2 of the said Act the following sections shall be substituted, namely:—

Substitution
of new sec-
tions for
section 2, Act
XIII of 1859.

"2. (1) If it shall be proved to the satisfaction of the Magistrate that such artificer, workman or labourer has received money in advance, not exceeding three hundred rupees, from the complainant on account of any such work, and has wilfully and without lawful or reasonable excuse neglected or refused to perform or get performed the same according to the terms of his contract, the Magistrate may in his discretion either order such artificer, workman or labourer to repay the money advanced, or such part thereof as may be just and proper, within such period and in such instalments, if any, as the Magistrate thinks fit, or order him to perform or get performed such work within such period, not exceeding one year, as the Magistrate may determine and otherwise according to the terms of the contract :

Order for re-
payment of
advance or
performance
of contract.

Provided that no such order shall be made—

- (a) unless the complaint was brought within three months of the neglect or refusal; or
- (b) if it is proved that the complainant has on any previous occasion obtained an order under this sub-section against such artificer, workman or labourer.

Explanation :—Where no time has been fixed for the performance of a contract, neglect may be presumed to have occurred on the expiry of such period as the Magistrate deems to be a reasonable time for the performance thereof.

(2) If such artificer, workman or labourer shall fail to comply with an order made under sub-section (1), the Magistrate may sentence him to imprisonment for a period not exceeding three months, or, if the order be for the repayment of a sum of money,

for

for a period which may extend to three months or until repayment is made, whichever period is shorter :

Provided that, where any instalment has been ordered, no sentence of imprisonment exceeding one month shall be passed for default in payment of any one instalment, and the aggregate of such sentences shall not exceed three months.

(3) The Magistrate may, from time to time, extend the period for repayment of money advanced or for the performance of work, as the case may be, and may vary the instalments :

Provided that no order shall be made under this sub-section extending beyond one year from the date of the order under sub-section (1) the period within which the work is to be performed.

(4) No repayment of any money or order therefor shall deprive the complainant of any civil remedy whether for the recovery of any money advanced and remaining unpaid or otherwise, which he may have otherwise than under this Act.

Inequitable
contracts not
to be enforced.

2A. The Magistrate may in his discretion refuse to make an order under section 2 where in his opinion the contract in respect of a breach of which the complaint has been made was substantially unfair.

Compensation
in false or
frivolous or
vexatious
complaints.

2B. (1) If in any proceedings under this Act the Magistrate is of opinion that the complaint was false to the knowledge of the complainant or was frivolous or vexatious, he may in his discretion call upon the complainant forthwith to show cause why he should not pay compensation to the person complained against.

(2) The Magistrate shall consider any cause which such complainant may show, and, if after so doing he is satisfied that the accusation was false to the knowledge of the complainant or was frivolous or vexatious, he may, for reasons to be recorded, direct that compensation not exceeding fifty rupees be paid by the complainant to the person complained against.

(3) Compensation

(3) Compensation for the payment of which an order is made under sub-section (2) shall be recoverable as if it were a fine, and the Magistrate may, by the order directing payment of the same, further order that in default of payment the complainant shall suffer simple imprisonment for a period which may extend to thirty days or until payment is made, whichever period is shorter."

4. In section 3 of the said Act for the words "to be imprisoned with hard labour" the words "to imprisonment" shall be substituted.

Amendment of section 3, Act XIII of 1859.

5. For section 4 of the said Act the following section shall be substituted, namely :—

Substitution of new section for section 4, Act XIII of 1859.

IX of 1872. "4. In this Act the word "contract" shall extend to all contracts within the meaning of the Indian Contract Act, 1872:

To what contracts Act extends.

Provided that nothing in this Act shall apply to contracts where, a period having been specified for performance, such period exceeds one year."