

# Labour Rules, 2050 (1993)

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In exercise of the powers conferred by Section 86 of the Labour Act, 2048 (1991), Government of Nepal has framed the following Rules.

## Chapter -1

### Preliminary

1. **Short Title and Commencement:** (1) These Rules may be called "Labour Rules, 2050 (1993)".  
(2) These Rules shall come into force immediately.
2. **Definition** : Unless the subject or context otherwise requires, in these Rules.
  - (a) "Act" means Labour Act, 2048.
  - (b) "Factory" means an Enterprise involved in production business.

## CHAPTER – 2

### Security of Profession and Service

3. **Time for deploying Minor at work:** (1) While engaging the minor worker or employee of more than Fourteen years and less Sixteen years of age in the work of any enterprise they shall not be deployed in work for more than Six hours per day and Thirty Six hours of work per week subject to Sub-section (2) of Section 5 of the Act.  
(2) While engaging minor employee or worker of more than Sixteen years of age for the period other than from 6 A.M. to 6 P.M., they may be deployed in work as per the mutual consent entered between such minor worker or employee and proprietor.
4. **Time for deploying a woman at work:** (1) While deploying a woman worker or employee from 6 A.M. to 6 P.M in the Enterprise other than as mentioned in Clause (a) of Section 48 of the Act, she may be deployed at work as per the mutual consent entered between worker or employee and Proprietor.

(2) While engaging a woman worker or employee pursuant to Sub-section (1), the Proprietor shall have to arrange for their proper security.

(3) The Proprietor shall have to provide a notice of engagement of any woman worker or employee pursuant to Sub-section (1) to the Labour Office.

**5. Other particulars to be maintained in the Register of workers or**

**employees:** In addition to the particulars mentioned in Sub-section (1) of Section 9 of the Act, the Proprietor shall have to mention following particulars in the Register:-

- (a) Date of first appointment, designation and address of the worker or employee.
- (b) Date of birth of worker or employee
- (c) Nationality of worker or employee
- (d) Name of his/her Department or Section
- (e) Particulars regarding leave
- (f) Particulars regarding other facilities

**6. Circumstances in which non-Nepalese Citizen may be engaged**

**in work:** (1) In case skilled Nepalese citizen are not available to carry out the works of the Enterprise pursuant to Sub-Section (1) of Section 4 of the Act, non-Nepalese citizen may be engaged by appointing on contract basis for a term, in maximum, of Two years at a time with the approval of he Department of Labour on the recommendation of Labour Office.

(2) The proprietor engaging non-Nepalese Citizen pursuant to Sub-rule (1) shall make arrangements to replace non-Nepalese Citizen by Nepalese worker or employee by making them skilled in the work of such non Nepalese national.

**7. Other provisions regarding not awarding remuneration and other facilities to the workers or employees remained in Reserve:**

In case an agreement is entered between Proprietor and worker or

employee kept on Reserve pursuant to Section 11 of the Act, on a ground that the worker or employee need not to be present in the Enterprise, then such worker or employee shall not be entitled to remuneration and other facilities as per that agreement.

8. **Order of retrenchment of worker or employee:** In case it is required to retrench the worker or employee on the last come first out basis pursuant to proviso Clause of Sub-section (2) o Section 12 of the Act, the Proprietor shall have to retrench them in the following order:
- (a) If the worker or employee appointed earlier is a non-Nepalese Citizen, then such worker or employee has to be retrenched instead of the Nepalese citizen even he/she was appointed later on.
  - (b) In cases the worker or employee is absent for the longer period due to health condition,
  - (c) In case there are any other reasons.

### **Chapter-3**

#### **Remuneration and welfare Provision**

9. **Formation of Minimum Remuneration Fixation Committee:** Government of Nepal, by a Notification published in Nepal Gazette, shall constitute a Minimum Remuneration Fixation committee, as required from time to time, for fixing the minimum remuneration of the workers or employees, having equal representation of worker or employee, Proprietor and Government of Nepal.
10. **Functions, Powers and Duties of the Minimum Remuneration Fixation Committee:** In addition the functions mentioned in Sub-section (3) of the Section 21 of the Act, the other functions, powers and duties of the Minimum Remuneration Fixation Committee shall be as follows:-
- (a) To provide necessary recommendation to Government of Nepal in respect to fixing minimum remuneration of workers or employees.

- (b) To recommend as per clause (a), keeping in view of the study of current market value and review and present financial, monetary and social context of the country and also affordability of the Enterprise.
- (c) The Committee may take opinion of the concerned experts while rendering advice and suggestion to Government of Nepal in the matters of fixing the minimum remuneration annual increment of remuneration, dearness allowance or other facilities.

**11. No discrimination in remuneration:** Equal remuneration shall have to be provided without making discrimination to male or female worker or employee for engaging them in the works of the same nature of functions of the Enterprise.

**12. Limitation, manner and time limit for deduction of remuneration:** (1) If the remuneration of any worker or employee is to be deducted in accordance with Section 24 of the Act, it shall be done subject to be following provisions:-

- (a) For realizing any amount as fine not exceeding at the rate of Thirty Three percent of the remuneration payable each time until the fine amount is not fully realized,
- (b) For realizing any amount for deliberate or negligent damage to or loss of cash and other property of the Enterprise, not exceeding at the rate of Twenty Five percent of the remuneration payable each time until the dues is fully realized,
- (c) For realizing any advance or excess money paid to the worker, at the condition agreed upon between the proprietor and worker or employee if there already exists any agreement between them and in absence of such agreement, not exceeding at the

rate of Twenty Five percent of the remuneration payable each time until the dues is fully realized,

- (d) For realizing any amount in pursuance of government order or court decree, if a time limit had been specified in such order the dues shall be divided in the rate of percentage required to be realized and if no time limit is specified, not exceeding the rate of Fifty percent or remuneration payable each time until the dues is fully realized,
- (e) For realizing any amount deductible under circumstances specified by Government of Nepal by a Notification published in the Nepal Gazette, not exceeding at the rate of Fifty percent from the remuneration payable each time until the dues is fully realized.

(2) Notwithstanding anything contained in Sub-rule (1), in case any worker or employee dies or his service is terminated from the Enterprise due to any reason, the dues shall be realized from the arrears, if any, which is payable to such worker or employee from the Enterprise.

**13. Welfare Fund:** (1) A Welfare Fund has to be created by the Enterprise pursuant to Section 37 of the Act, for the interests and welfare activities of the workers or employees.

(2) Seventy percent of the amount remained after distribution of the bonus allocated pursuant to Section 5 of the Bonus Act, 2030 (1974) shall have to be deposited in the Fund created under Sub-rule (1).

(3) The amount to be remained in the Welfare Fund shall be deposited upon opening an account in a Commercial Bank.

(4) The Welfare Fund shall be operated under the direct control and guidance of Labour Relation Committee. The account of the Fund

shall be operated by the joint signatures of two members designated by the Labour Relation Committee.

**14. Use of Welfare Fund:** (1) The Labour Relation Committee may spend the amount deposited in Welfare Fund for the interests and welfare of the worker or employee in the following activities:

- (a) In case it is required to provide immediate financial assistance on account of being sickness or falling in accident to worker or employee or any members of their family,
- (b) For making necessary arrangement for providing education to worker or employee or their children,
- (c) For making arrangement for sport, entertainment, library, club etc. for worker or employee,
- (d) For lending on reasonable rate in case of extraordinary situation to worker or employee,
- (e) For spending on relief activities to worker or employee in case of emergency situation like natural calamities,
- (f) For spending on other welfare activities leading to the collective interests of the worker or employee,

(2) Notwithstanding anything mentioned in Sub-rule (1), the Enterprise, having partial or full ownership of Government of Nepal shall have to take prior approval of the Department of Labour while spending from the Welfare Fund in the welfare activities leading to collective welfare of worker or employee, by making an action plan thereof.

(3) The worker or employee are not entitled to spend or distribute among themselves the amount deposited in the Welfare Trust for the purpose other than mentioned in Sub-rule (1).

**15. Compensation against injury:** (1) In case a worker or employee is injured while doing a work designated by Enterprise, the whole amount

incurred on his/her treatment, shall be paid by the Proprietor, as compensation, to such worker or employee on the recommendation of the medical practitioner recognized by Government of Nepal.

(2) In case a worker or employee, after being injured in course of doing the works designated by the Enterprise, is unable to work and is required to undergo treatment staying at home or Hospital, the Proprietor shall have to provide the full remuneration in case of treatment in the Hospital; half of the remuneration in case of treatment undergone at home for that period, in addition to the compensation to be provided pursuant to Sub-rule (1).

Provided that, the Proprietor need not to provide any remuneration for the period for more than One year in case the treatment has to be undergone for more than that period.

**16. Compensation in case of grievous hurt resulting in physical**

**disability** : In case a worker or employee is grievously hurts leading to the physical disability while doing the works designated by the Enterprise, then such a worker or employee shall be paid by the Proprietor a lump sum amount equivalent to his/her Five years remuneration at the rate of his/her current remuneration, if the disability of the worker or employee is of Hundred percent, which being determined on the basis of percentage of disability as mentioned in the Schedule.

(2) While paying compensation for the injury leading to the disablement, by the Proprietor to the concerned worker or employee pursuant to this Rule, and compensation amount payable equivalent to the percentage of his/her disablement as mentioned in Schedule assuming Five years of remuneration amount for the Hundred percent disablement.

**17. Compensation in case of death**: If any worker or employee dies immediately or during treatment as a result of an accident while doing the works designated by the Enterprise, compensation equivalent to the

amount of Three years of remuneration of the deceased shall be provided by the Proprietor, in lumps to the nearest heir of the deceased worker or employee.

- 18. Determination of the percentage of disablement:** In case any worker or employee is injured leading to physical disablement as a result of an accident while working in the Enterprise, the Factory Inspector after getting determined the percentage of disablement of such worker or employee as mentioned in schedule from the medical practitioner recognized by Government of Nepal shall get the compensation paid to such worker or employee by the Proprietor pursuant to Rule 16.

Provided that, the determination of percentage of disablement of worker or employee shall not be more than Hundred percent.

- 19. Circumstance not receiving compensation:** In case a worker or employee dies or succumbs to injury leading to physical disablement, due to natural calamities while working the work designated by the Enterprise, the heir of such worker or employee shall not be entitled to the compensation pursuant to these Rules.

- 20. Double compensation shall not be received:** In case any Enterprise has procured any sorts of insurance of its workers or employees, then such worker or employee shall get only either the compensation amount pursuant to these Rules or the compensation amount of insurance whichever is greater.

- 21. May be terminated from service awarding compensation and gratuity:** In case any worker or employee gets injured as a result of an accident while working in the Enterprise and does not get recovered even after treatment up to One year or is certified by a medical practitioner recognized by Government of Nepal that he/she is unable to work due to disablement caused by accident, then such worker or employee may be terminated from service by the Proprietor by providing compensation pursuant to Rule 16, in addition to the gratuity under these Rules.



22. **Priority to be given for occupation:** The members of the dependants of family of the worker or employee, who is terminated from service of Enterprise pursuant to Rule 21 or has died as a result of accident while working in Enterprise, shall be given priority for job according to their qualification in case a post falls vacant.

23. **Gratuity:** (1) Any permanent employee who has served for Three or more years and retires from service due to age bar or tendering resignation or is relieved from service of the Enterprise due to any reason, such worker or employee shall be given lump sum gratuity at the following rate:

(a) An amount equivalent to Half of the current monthly remuneration for every year of service rendered for the service of First Seven years,

(b) An amount equivalent to Two Third of the current monthly remuneration which he/she was receiving lastly for every year of service rendered, to a worker or employee who has served between Seven to Fifteen years.

(c) An amount equivalent to a One month's remuneration which he/she was receiving lastly for every year of service rendered, to a worker or employee, who has served for more than Fifteen years.

(2) The gratuity to be provided to the worker or employee of a Factory or Enterprise pursuant to Factory and Factory workers Rules, 2019, for the period before the commencement of these Rules shall be as per those Rules.

(3) Notwithstanding anything contained in Sub-rule (1), any worker or employee who has been terminated from service pursuant to Sub-section (4) of Section 52 or Section 54 of the Act shall not be entitled to receive gratuity under this Rule.

**24. Gratuity Fund:** (1) Every Enterprise shall have to establish a separate Fund for the purpose of depositing gratuity amount to be received by worker or employee pursuant to the Rule 23.

(2) The Enterprise shall have to maintain separate accounts showing clearly the amounts to be received by every worker or employee.

(3) The Enterprise shall have to deposit also the gratuity amount to be given to the worker or employee pursuant to Sub-rule (2) of Rule 23 in the Gratuity Fund established as per Sub-rule (1).

**25. Choice of gratuity or compensation:** Any worker or employee who is retrenched pursuant to Section 12 of the Act shall be entitled to choose between the compensation payable under the same Section and the gratuity payable pursuant to Rule 23.

**26. Provident Fund:** (1) Every Enterprise, after deducting ten percent of the monthly remuneration of permanent worker or employee, shall add on equivalent amount and deposit in their name in the provident Fund established pursuant to Sub-rule (2).

(2) The Proprietor of the Enterprise shall have to establish a separate Provident Fund in his/her Enterprise for depositing the amount pursuant to Sub-rule (1)

Provided that, the Enterprise may deposit such amount opening separate accounts in the name of its workers or employees in the Provident Fund established pursuant to the Provident Fund Act, 2019.

(3) In case a separate provident fund is established by enterprise pursuant to Sub- rule (2), it shall have to maintain separate accounts of every worker or employee.

(4) The provident Fund established pursuant to Sub-rule (2) shall be operated by the Labour Relation Committee, in case there is no such committee it shall be operated by the committee comprising of the representatives of the Proprietor, workers and employees. In case a

Welfare Officer exists in an enterprise, he/she shall serve as a member secretary of such committee.

(5) No worker or employee shall be allowed to withdraw completely his/her amount deposited in the Fund pursuant to Sub-rule (2) before his/her retirement from the service of the Enterprise.

(6) In case any worker or employee dies prior to having withdrawn his amount from the Fund, his/her nominee shall receive that money; or if the nominee has also died or if no member has been nominated, the nearest heir of such worker or employee shall receive the money. If there are more than One such heir, they shall be paid the amount so deposited on *pro rata* basis.

(7) The concerned worker or employee may take loan upto Fifty percent as per the Bye-laws of the Enterprise from the amount deposited in Provident Fund pursuant to these Rules. The loan amount shall have to be recovered by deducting One Forth of monthly remuneration of such worker or employee until such loan amount is fully recovered.

**27. Medical Expenses:** (1) The Proprietor shall have to arrange for equipment and medicines for the immediate treatment of worker or employee in case injured while working in the Enterprise.

(2) In case any worker or employee is injured while working in any Enterprise where Fifty or more than Fifty workers or employees work at a time, the Proprietor shall have to arrange a person having general knowledge thereof, for the immediate treatment.

(3) The Proprietor shall have to arrange for Medical Treatment Centre including the medicines and equipment of first aid in the responsibility of a trained or experienced Health Assistant, in the Enterprise where Four Hundred or more than Four Hundred workers or employees work.

(4) The Proprietor shall have to arrange a Health Centre, including a medical practitioner and Health Assistant along with

necessary medicines and equipments of first aid in the Enterprise where One Thousand or more workers or employees work.

**28. Leave:** The workers or employees may receive the following leaves:

- (a) Public Holiday
- (b) Home Leave
- (c) Sick Leave
- (d) Obsequies Leave
- (e) Special Leave
- (f) Maternity Leave

**29. Public Holiday:** (1) The worker or employee shall be entitled to public holidays with full pay for Thirteen days in every year.

(2) The Labour Relation Committee, after deciding the public holidays in the beginning of every year, to be received by the workers or employees pursuant to Sub-rule (1), shall inform immediately thereof to the workers or employees.

(3) In the Enterprise where Labour Relation Committee does not exist, it shall be decided through mutual consent between the representative of workers and employees and the Proprietor.

**30. Home Leave:** (1) Every Worker or employee shall be entitled to paid home leave at the rate of One day for every twenty days that he/she works. The worker or employee shall have to take prior approval while going on such leave.

(2) The home leave to be enjoyed pursuant to Sub-rule (1) may be accumulated for a maximum period of Sixty days.

(3) For the purpose of calculating home leave to be enjoyed as per this Rule, work days shall mean and include weekly holidays, public holidays and other paid holidays.

(4) In case any employee resigns from his/her post or retires from service for any other reason, he/she shall be entitled to receive lump sum amount for his/her accumulated home leave at the rate of the wage which he/she was getting at the time of his/her severance from service.

**31. Sick Leave:** (1) The workers or employees served continuously for One year in the Enterprise shall be entitled to sick leave with half pay for up to Fifteen days in a year.

(2) The Proprietor shall cause to submit a certificate from the medical practitioner recognized by Government of Nepal, while approving the home leave of any worker or employee for more than Three days.

(3) In case any worker or employee has fallen sick, he/she has to provide the notice thereof to the proprietor by the fastest means available.

**32. Obsequies Leave :** (1) In case any worker or employee who has completed One year of continuous service in the Enterprise is required to observe obsequies personally in accordance with his/her family custom he/she shall be entitled to obsequies leave for a maximum period of Thirteen days.

(2) Any employee who is on such obsequies leave pursuant to Sub-rule (2) shall get full salary.

**33. Special Leave :** Any permanent worker or employee who does not have any leave accumulated may be entitled to special leave for a period of Thirty days in one year, with the prior approval in case a special situation for going on leave has occurred.

(2) The employee or worker staying on leave pursuant Sub-rule (1) shall not be entitled to salary of such period.

(3) The total period of special leave to be enjoyed pursuant to this Rule shall not exceed for more than Six months in the entire period of service of a worker or employee.

**34. Maternity Leave:** A pregnant female employee shall be entitled to maternity leave with full pay for a period of Fifty Two days for pre and post delivery. Such maternity leave shall be granted only Twice during the entire period of service.

Provided that, such maternity leave shall be granted Twice as per this Rule for giving the birth to two children, in case the both children of the pregnant female worker or employee, who has already enjoy Twice the maternity leave, have expired.

35. **Authority empowered to sanction Leave:** The Proprietor or the authority prescribed in the Bye-laws of the Enterprise shall be authorized to sanction leave mentioned in this chapter.
36. **Leave not a matter of right:** Leave is not a matter of right; it is only a privilege. The authority to sanction leave may, in keeping of view the work of the Enterprise, refuse to sanction leave, postpone utilization thereof, make deduction or cancel any sanctioned leave.
37. **Action against worker or employee absenting themselves without Leave:** (1) No worker or employee shall absent him/herself from the enterprise without obtaining leave.
- (2) In case any employee absents him/herself for more than Thirty days without giving information of staying on leave or without obtaining leave, he/she may be removed from the service in addition to the deduction of his/her salary for the days he/she so remains absents.
- (3) Notwithstanding anything contained in Sub-rule (1) and (2), in case due to emergency condition, any employee remains absent without prior sanction of leave, later on if his/her leave is sanctioned retrospectively, in such case the provision of this Rule shall not be deemed to have been contravened.

#### **Chapter-4**

##### **Provisions relating to Health, Cleanliness and Safety**

38. **Provision for safety against fire:** The Proprietor shall have to arrange the following measures in the Enterprise for protection from the fire.
- (a) Fire extinguishing devices shall have to be placed in the proper place, as required, for the protection from fire.

- (b) The hitch pipe, in addition to the Hydrant point shall have to be arranged in a way of reaching sufficient pressurized water in the factory, as required.
- (c) Arrangements for emergency exit shall be made for moving in a situation of fire and no objects shall be placed in a way of obstructing that exit.
- (d) The fire alarm or any sound signaling device shall have to be arranged for making alert to everybody in case of fire.
- (e) The devices to be used in fire extinguishing shall have to be inspected and tested at least once in a year and the record has to be maintained thereof.
- (f) Enterprise using explosives like gun powder nitroglycerine, dynamite, gun cotton, blasting powder, mercury or other metal faulted, fog signal fuse, receipt, percussion cap, detonator, cartridge or such other explosives specified by Government of Nepal by a Notification published in the Nepal Gazette, shall have to be stored safely far from dense population and the skilled persons having special knowledge shall have to be deployed while moving and using such objects.

**39. Limitation of load carrying:** (1) The workers shall not be allowed to lift or move or carry load exceeding the following limit:

- |     |                                     |        |
|-----|-------------------------------------|--------|
| (a) | Adult male                          | 55 kg. |
| (b) | Adult female                        | 45 kg. |
| (c) | Minor male (16-18 years)            | 25 kg. |
| (d) | Minor female (16-18 years)          | 20 kg. |
| (e) | Minor male and female (14-16 years) | 15 kg. |

(2) Notwithstanding anything contained in Clause (a) of Sub-rule (1), the limit of weight with respect to lifting, moving or carrying the packed load (*Borabandi*) by any adult male worker shall not be applicable.

**40. Testing of pressure Plant:** (1) While testing a pressure plant pursuant to Section 33 of the Act, the testing shall be done keeping attention in the following matters:

- (a) Good assembling and sufficiently strong.
- (b) Keeping in safe manner maintaining the pressure plant in proper way
- (c) Following equipment need to be installed in the pressure plant:-

- (1) Safety valve or any other sort of equipment installed in a way not allowing to operate in the pressure exceeding than the pressure authorized by license.
- (2) Proper pressure gaze need to be installed for reading the pressure operated in the pressure vessel.
- (3) Fixed operating pressure shall have to be indicated by red colour in the pressure gaze.
- (4) Drain cock or valve equipment shall have to be installed in lower part of pressure vessel for draining the liquid remained in it.
- (5) The water level indicators of pressure vessel shall have to be installed properly.
- (6) There shall be appropriate stem valves for separating pressure vessel systems with other vessels or any other sources creating pressure, at any time.
- (7) The safety valve and pressure gazes shall have to be installed compulsorily in all ceasing cylinders, digesters, and steam jacket pans and in vessels to be used in other pressure.



- (8) In addition to the arrangements mentioned hereinabove, any other proper devices shall have to be installed according to the nature of the pressure plant.

**41. License of Pressure Plant to be provided:** The factory Inspector, after testing the pressure plant and on the basis of capacity and condition of the equipment's installed on it shall have to issue license not exceeding for one financial year specifying the working pressure. While renewing the license issued in such manner, it shall not be provided without re-testing it.

**42. Particulars to be mentioned in License:** (1) Following matters shall have to be mentioned in the pressure plant:

- (a) Name and address of Enterprise
- (b) Trade mark, model number and production date,
- (c) Type of pressure vessel and the fuel to be used in its operation,
- (d) Condition of equipment installed in pressure vessel,
- (e) Date of issuance and period of license,
- (f) Hydraulic tested pressure,
- (g) Condition of fusible plug,
- (h) Other necessary matters.

(2) The copy of the license issued by Factory Inspector pursuant to Sub-rule (1) shall have to be send to the concerned Labour office and Department of labour.

(3) The pressure plant shall have to be operated in the supervision of the trained or experienced person.

(4) The Enterprise shall not to operate Boiler, Pressurized vessel or any other devices to be operated in pressure more than atmospheric pressure without receiving license from the Factory Inspector.

(5) In case there is doubt of not functioning of the device while operating it within the period of its license provided for operation, a

notice thereof shall have to be provided immediately to the concerned Factory Inspector.

**43. Use of machinery, tool or equipment:** (1) While using the machinery, tools or equipment pursuant to Sub-section (2) of Section 36 of the Act, it shall be done in the following manner:

- (a) The hydraulic press and other press to be operated by other devices, milling machines to be used in metal industry, Lignite machine, circular sleton printing machine etc shall have to be operated by trained and experienced person.
- (b) Arrangement of proper fencing shall have to be made for security, near by wheel, belt, belt operating instrument, gear, drum, clutch, driving belt or power generator for operating machine, and any other dangerous means for operating energy.
- (c) While doing gas welding or arch welding or any other such works, it shall be done in separate place in a way not affecting general public.
- (d) The equipment tools to be used in repair and maintenance should be in good condition.
- (e) The electricity transmission line used for operating equipment should be in good condition.
- (f) A separate parking or safe place for storing goods shall have to be arranged in a way not affecting general public, while operating workshop.

(2) No minor, who has not attained the age of Sixteen years shall be engaged in the works leading to adverse effect in health or in dangerous machines or in machines as mentioned in Clause (a) of Sub-rule (1).

**44. Investigation of accident or professional disease:** (1) After getting information of accident or professional disease pursuant to Section 35 of

the Act and in case, it is required to investigate and make inquiry to that respect, the Labour Office may designate an Inquiry officer.

(2) The functions, duties and powers of the Inquiry Officer designated pursuant to Sub-rule (1) shall be as follows:

- (a) To collect necessary information concerned with spot or from concerned person, to collect necessary evidence, to cause to produce necessary documents, to take statements etc.
- (b) After making an inquiry pursuant to Clause (a), a report shall have to be submitted before the Labour Office within the time specified by Labour Office.

(3) In case it is seen to affect the health of the worker or employee by the use of any material necessary for the production process of the Enterprise, it may be tested by the officer designated by Labour office after collecting its sample and properly packed it in bottle. Government of Nepal may issue necessary directives to the Proprietor, if it is proved to be of injurious to health.

## **Chapter – 5**

### **Provision relating to Committee and Authority**

**45. Formation of Central Labour advisory Committee:** (1) The Central Labour Advisory Committee to be constituted pursuant to Section 62 of the Act shall consist of Chairperson and Members as follows:

- (a) Minister or State Minister for Labour - Member
- (b) Secretary, Ministry of Labour - Member
- (c) Secretary, Ministry of Tourism - Member
- (d) Secretary, Ministry of works and Transport - Member
- (e) Secretary, Ministry of Agriculture - Member
- (f) Secretary, Ministry of Industry - Member
- (g) Two Labour Expert nominated by Government of Nepal - Member

- (h) Three Representatives from Federation of Nepal Chamber of Commerce and Industry - Member
- (i) Seven Representatives from Authorized Federation of trade Unions - Member
- (j) Director General, Department of Labour - Member

(2) The tenure of the members nominated pursuant to Clause (g) of Sub-rule (1) shall be of Two years.

(3) In case it is required, Government of Nepal may change or alter the members of the Central Labour Advisory Committee, by a Notification published in Nepal Gazette.

(4) Central Labour Advisory Committee may invite any Nepali or foreign expert as required, in its meeting as an observer.

**46. Functions, Duties, and Powers of Central Labour Advisory**

**Committee:** The functions, duties and powers of Central Labour Advisory Committee shall be as follows:

- (a) To render advice to Government of Nepal in the matters relating to labour policy,
- (b) To provide necessary advice to Government of Nepal in the matters relating to timely amendment in labour laws.
- (c) To provide necessary advice to Government of Nepal in the matters relating to the construction of quarters for workers or employees.
- (d) To render advice to Government of Nepal in the matters of formulation of policy relating to apprentice training.
- (e) To render necessary advice to Government of Nepal in the matters of operating the basic professional training.
- (f) To render necessary advice to Government of Nepal in the matters of increasing the opportunities of job.

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• Amended as per the notice published in Nepal Gazette 2056..6.25 of Ministry of Labour.  
• Amended as per the notice published in Nepal Gazette 2064.1.18 of Ministry of Labour.

- (g) To render necessary advice to Government of Nepal in the matter of industrial development upon promoting the mutual relationship between Government of Nepal, Proprietor, and workers and employees.
- (h) To render necessary advice to Government of Nepal in the matters of industrial development by maintaining industrial peace.

**47. Composition of Labour Relation Committee:** (1) A Labour Relation Committee, having equal representation of Proprietor's and workers, shall be constituted in each Enterprise.

(2) The Labour Relation Committee to be constituted pursuant to Sub-rule (1) shall consist of members in minimum of Four and maximum upto Twenty, on the basis of the total number of workers in the Enterprise.

(3) The nomination process of the representatives representing on behalf of the workers and employees in the Labour Relation Committee shall be as mentioned in Rules 48 and 49.

(4) After a Labour Relation Committee is formed under this Rule, the Proprietor shall provide a notice thereof immediately to the Labour Office.

**48. Nomination of Representative of the Proprietor:** An employee related directly to the managerial functions of the Enterprises shall be nominated, as far as possible, while nominating representative on behalf of the Proprietor in the Labour Relation Committee.

**49. Nomination of representative of worker:** (1) While nominating representative on behalf of workers in the Labour Relation Committee, it shall be nominated by Trade Union in case there exists a Trade Union in the Enterprise level and in case there is not such union; the workers shall have to nominate their representatives.

(2) While nominating representatives of workers in the Labour Relation Committee pursuant to Sub-rule (1), it shall be done in away of having equal representation of all sorts of workers.

**50. Members and Authorities of the Labour Relation Committee:**

(A) A Nepali worker and employee, who has attained the age of Eighteen years and has completed One year of continuous service in Enterprise shall be eligible for getting nominated in the Labour Relation Committee.

(2) There shall be a President, Vice-president, Secretary, Joint Secretary and Treasurer in the Labour Relation Committee.

(3) The Proprietor shall nominate a member as a President among the members of the Labour Relation Committee.

(4) The Committee shall select Vice-president and Secretary out of the workers representatives and Joint Secretary and Treasurer out of the Proprietor's representatives.

(5) The tenure of members and authorities of the Labour Relation Committee shall be of Two years.

**51. Meeting of the Labour Relation Committee:** (1) The Secretary shall convene the meetings of the Labour Relation Committee as specified by the President.

Provided that, such meeting shall have to be convened at least once in Three months.

(2) The Proprietor shall have to arrange for the meeting to be held pursuant to Sub-rule (1).

(3) The Secretary shall record the decisions of the meetings and get it certified by the president.

(4) All the Procedures relating to the meeting of the Labour Relation Committee shall be as prescribed by it.

**52. Functions and Duties of the Labour Relation Committee :** The functions and duties of the Labour Relation Committee shall be as follows:

- (a) To be active to maintain the quality by promoting and reforming in production and service of the Enterprise,
- (b) To perform the function relating to operation of the Welfare Fund,
- (c) To perform the functions relating to operation of Provident Fund.
- (d) To perform the functions relating to quarters of workers and employees.

**53. Functions, Duties and Powers of the Labour Officer:** The Labour Officer shall have following functions, duties and powers in addition to the powers as mentioned in Section 65 of the Act:

- (a) To play the role of a mediator in settling the dispute raised between the worker, employee and Proprietor.
- (b) To cause to solve the dispute by having mutual negotiation in relation to personal claim or complaint of worker or employee and in case not solved in this way to take necessary decision.
- (c) To take oral and written statements of worker or employees of any Enterprise within the Enterprise or in the Labour Office in course of proceedings to be done by Labour Office.
- (d) To take necessary action after receiving technical or administrative report in course of implementing the Act in the Enterprises.

**54. Other Functions, Duties and Powers of the Factory Inspector:** In addition to the powers mentioned in Section 67 of the Act, the other functions, duties and powers of the Factory Inspector shall be as follows:

- (a) To enter into any Enterprise or Factory within the jurisdiction of the Labour office and inspect and examine the building, land, plant, machine, use of raw materials, finished and semi-finished goods and arrangements relating to health and safety and to issue order to Proprietor, in case it is required to correct in that respect.

- (b) To issue order to make immediate necessary arrangements, in the place where any dangerous things seen from the safety and health point of view, in any Enterprise or Factory.
- (c) To examine the Boiler, Pressure vessel and other dangerous equipments fatal to body once in a year and to give permission to operate these items in case they are found good for operating.
- (d) To render necessary advice in relation to possible measures in enhancing the productivity of Enterprise or factory.
- (e) To examine the documents like attendance register of workers and employees working in the Enterprise or factory, salary, allowance and particulars in relation to overtime payment to worker or employee.
- (f) To take oral or written statements of any worker or employee of Enterprise or Factory in relation to health and safety arrangements of the Enterprise or Factory.
- (g) To make inquiry of any accident happened in the Enterprise.
- (h) To initiate action for compensation in case any worker or employee is injured leading to physical disablement while performing the works of the Enterprise or Factory.

**55. Functions, duties and powers of the Welfare Officer:** The functions, duties and powers of the Welfare officer shall be as follows:

- (a) To maintain good contact and relation between both the Proprietor and worker, by maintaining cordial relation with them.
- (b) If the workers are facing either with individual or collective problem, to solve such problem by informing the Proprietor in time.
- (c) To motivate and render advice and suggestion for enhancing the activities of the Trade Union in the matters leading to professional interests of the workers.
- (d) To motivate workers to be dedicated towards their work and create the necessary environment for the work.



- (e) To play active role in maintaining healthy and balanced relation by providing advice and suggestions to Proprietor in the formulation of necessary policy with regard to development and extension of the Enterprise and change in functions, duties of the workers.
- (f) To make understood the workers in simple language about the problems to be faced in the Enterprise and in the matters of protecting their rights and interests.
- (g) To play lead role in the decision making process by having mutual discussion and dialogue with the Proprietor and workers representatives in course of bringing reforms in the production process and adopting any other working process in the Enterprise.
- (h) To make arrangement through the process of mutual dialogue and discussion for stopping the uncordial atmosphere between the workers and Proprietor.
- (i) To prevent workers from going into illegal strikes or not allowing to bring disturbances in the activities of the Enterprise or to be active in stopping un-authoritative behaviour of the Proprietor and workers.
- (j) To attempt to bring in normal condition by adopting healthy and neutral policy for an amicable and cordial atmosphere even if any dispute is raised between Proprietor and worker.
- (k) To manage to examine the health of the workers by consulting the Local Office and a qualified medical practitioner for the protection and facility of the workers and maintain record thereof; to cause to protect the workers against dangerous works, inspect machineries, clean the Factory and make other timely provisions regarding health and safety.
- (l) To render necessary advice and suggestions to the Proprietor in the matters of wage, leave and other facilities of the workers.

- (m) To cause to implement the welfare provisions as mentioned in the Act.
- (n) To make arrangement for the entertainment and sport for the physical and mental fitness of the workers.
- (o) To make necessary arrangement by encouraging Proprietor along with the workers for constituting the Labour Relation Committee, Production Committee, Welfare Committee, Security Committee and any other Committee to be helpful in the operation of the Enterprise.

## **Chapter – 6**

### **Miscellaneous**

#### **56. Information to be provided for the establishment and extension**

**of the Enterprise:** (1) In case it is required establish a new Enterprise or to extend any Enterprise, the Proprietor of the Enterprise Fifteen days prior to doing such act, shall inform the concerned Labour Office along with the particulars related to the following matters:

- (a) Particulars relating to the area, category and boundary of the land.
- (b) Length, breadth, and height of the building of the Enterprise and of other houses to be built in Enterprise.
- (c) Pertaining to the details of the said building as, which portion to contain what category of goods in what quantities and type of machinery and equipment to be installed for production work and manufacture.
- (d) Proper arrangement of ventilation of air along with light in all the rooms of the building.

- (e) In case there is situation of emission of gases through production process, the provision for outlet of such gas.
- (f) Appropriate arrangement of toilet.
- (g) Arrangement of drinking water.
- (h) In case adequate supply of water is required, the arrangement made in that regard.
- (i) Distance between the nearest habitation and the Enterprise and the particulars of the measures to be adopted in protecting the neighbouring habitant from the environmental hazards.
- (j) Nature and volume of power required for the production process.
- (k) Name and quantity of raw material and subsidiary raw material required for the production process.
- (l) Name and quantity of the good to be produced.
- (m) Arrangements for the protection from fire of the complex of the Enterprise and the goods produced from there.

(2) While making necessary examination upon the particulars to be received to Labour office pursuant to Sub-rule (1), in case it is seen to have adverse impact from the standpoint of health, safety and environment, the Factory Inspector may issue order to the Proprietor directing him/her to amend or alter as required upon the particulars provided to it. It shall be the duty of the concerned Proprietor to abide by such directives.

**57. Information to be provided by the Proprietor :** (1) While using any new building or land for the Enterprise, the proprietor shall have to provide written notice along with following particulars at least prior to Fifteen days to the local Labour office.

- (a) Name and address of the Enterprise,

- (b) Name and address of the Proprietor of the Enterprise,
- (c) Address for correspondence with Enterprise,
- (d) Name and address of the Manager of the Enterprise,
- (e) Particulars of the workers engaged in the Enterprise,

(2) The Proprietor shall have to send the written notice along with the particulars mentioned in Sub-rule (1), to the Local Labour Office within Thirty days after the commencement of these Rules.

(3) If, in any Enterprise where the Manger has not been appointed or has not taken the responsibility of the management of the Enterprise even if appointed, in such a situation the person officiating as Manger or if there is not such person also, the Proprietor him/herself shall be deemed to be the Manger of that Enterprise for the purpose of this Rule.

**58. Procedures of the Labour Court:** The Labour Court, while initiating and disposing cases, shall follow the procedures of Summary Procedure Act, 2028 (1972).

**59. Repeal and Saving :** (1) The Nepal Factory and Factory workers Rules, 2019 (1962) is, hereby, repealed.

(2) The Rules relating to Labour made to apply for a particular Enterprise shall prevail over the matters written in that Rules and these Rules shall prevail over the rest of the matters.

(3) Any act done or activities preformed pursuant to the Nepal Factory and Factory Workers Rules, 2019 shall be deemed to have been performed as per these Rules.

## Schedule

### Specifying the degree of Disablement

<u>S. No.</u>	<u>Particulars of the Injury</u>	<u>Disablement in percentage</u>
1.	Loss of two limbs	100
2.	Loss of two hands or loss of all fingers along with palm	100
3.	In case of loss of total sight	100
4.	Total paralysis	100
5.	In case of permanent sickness as a result of injury	100
6.	In case of loss of other eye of one eyed person	100
7.	In case of loss of other arm who had had only one arm	100
8.	In case of loss of other foot of one footed person	100
9.	In case of loss of one foot and one arm	100
10.	In case of total and permanent incompetency due to any other hurt	100
11.	In case of total deaf	70
<b><u>Condition of amputation of one Arm</u></b>		
12.	Amputation of Shoulder Joint	80
13.	In case the arm is amputated from the middle of Shoulder and elbow	70
14.	In case of loss of arm from elbow	70
15.	In case of loss of arm from the middle of elbow and wrist	70
16.	In case of loss of hand from wrist	60
17.	In case of loss of four fingers and alongwith thumb of one hand	60

18.	In case of loss of four fingers except thumb of one hand	40
19.	In case of loss of two flanks of the thumb	30
20.	In case of loss of one flanks of the thumb	20
21.	In case of loss of three flanks of the pointing finger	14
22.	In case of loss of two flanks of the pointing finger	11
23.	In case of loss of one flank of the pointing finger	9
24.	In case of loss of three flanks of the middle finger	12
25.	In case of loss of two flanks of the middle finger	9
26.	In case of loss of one flank of the middle finger	7
27.	In case of loss of three flanks of fourth and fifth finger	7
28.	In case of loss of two flanks of fourth and fifth finger	6
29.	In case of loss of one flank in both the fourth and fifth finger	5
30.	In case of additional loss in first or second meta carpal	5
31.	In case of additional loss in third, fourth or fifth meta carpal	

Condition of amputation of any one or of both the legs

33. In case both the thigh are amputated from the middle or in case the leg is amputated from the middle of one thigh leading to the loss of leg of other side or the organ is amputated below from both the knees 100
33. In case the legs are amputated 5 inch below from both the knees 100
34. In case the leg is amputated 5 inch below from one knee leading to the loss of another foot 100
35. In case there are only stump knees and are bearing only after both the feet are amputated 100
36. In case there is amputation from upper joint of metatarsophalangeal joint of both feet 90
37. In case there is loss in all the fingers below metatarsophalangeal joint of both the feet 80
38. In case there is loss upon all fingers of both the feet from the proximal of interphalangeal joint 40
39. In case there is only loss in lower part from proximal interphalangeal joint of all the fingers of both the feet 20
40. In case there is amputation from middle of hip joint 90
41. In case there is amputation downwards to hip joint, but if the stump of remaining leg is less than 5 inch from trochanter joint 80
42. In case the leg is amputated not reaching below the middle of the thigh in a way that there is stump below the hip joint which is 5 inch more than the trochanter joint 70

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|-----|--|----------|
| 43. | In case there is amputation in below from middle of the thigh upto knee in a way not being more than 3 1/2 inch                                  | 60       |
| 44. | In case there is amputation in leg below knee and the stump below the knee is of between 3 1/2 inch to 5 inch                                    | 50       |
| 45. | In case there is amputation in leg below the knee and the stump is 5 inch long below from the knee   | 50       |
| 46. | In case there is stump for aid bearing after total amputation in one leg   | 40       |
| 47. | In case there is amputation in one leg only from proximal metatarsophelngial joint   | 40       |
| 48. | In case all the fingers of one leg are amputated from proximal metatarsophelngial joint or are amputated from middle of metatarsophelngial joint | 20       |
| 49. | In case of loss of both the flanks of the toes of the feet   | 10       |
| 50. | In case of loss of one flank of one toe of feet  | 3        |
| 51. | In case of loss of some portion of toe including its bone  | 3        |
| 52. | In case of loss of finger other than toe   | 3 (each) |
| 53. | In case of loss any portion of any finger of feet including bone other than toe  | 1        |

**Other Specific injuries**

- |     |   |    |
|-----|---|----|
| 54. | In case of loss but not complicated, to another eye, when one eye was in normal condition | 40 |
|-----|---|----|



55.	In case of loss in sight or loss in retina of other eye when one eye's sight was in normal condition	30
56.	In case of loss of hearing power of one ear	20
<b><u>Total recovery to be created in limbs and joints after injury</u></b>		
57.	Spine	30
58.	Shoulder joint	40
59.	Elbow	40
60.	Wrist	30
61.	Proximal and distal radio ulnar joint	30
62.	Thumb (First Metacarpal flanks joint)	63
63.	One joint of any one finger other than of thumb	3
64.	All the joints of any one finger other than of thumb	10
65.	All the joints of all fingers including of thumb	40
66.	Hip Joint	40
67.	Knee	19
68.	Ankle	19
69.	Joint below tails bone	19
70.	Toe (First Meta flanks joint)	19
71.	Joints of other fingers of feet other than toe	10
<b><u>Paralysis of limbs or only of any part of body after injury</u></b>		
72.	Total paralysis as a result of injury in spinal chord	100
<b><u>Total paralysis of the following limbs</u></b>		
73.	Brachial Plexus	70
74.	Radial Nerve	50
75.	Median Nerve	40
76.	Ulnar Nerve	40
77.	Syatic Nerve	70
78.	Medial Paplitial Nerve	40
79.	Lateral Paplitial Nerve	30