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INDUSTRIAL EMPLOYMENTACT-1946



2016



**MINISTRY OF LABOUR
AND EMPLOYMENT**

Government of India

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Industrial Employment (Standing Orders) Act, 1946

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THE SCHEDULE

**Industrial Employment (Standing Orders)
Act, 1946**

[Act No. 20 of 1946¹ As Amended by Acts Nos. 3 of 1951, 36 of 1956,
16 of 1961, 39 or 1963², 51 of 1970 and 18 of 1982³]

[23rd April, 1946]

*An Act⁴ require employers in industrial establishments formally to define
conditions of employment under them*

Whereas it is expedient to require employers in industrial establishments to define with sufficient precision the conditions of employment under them and to make the said conditions known to workmen employed by them.

It is hereby enacted as follow :



1. Short title, extent and application.- (1) This act may be called the Industrial Employment (Standing Orders) Act, 1946.

(2) It extends to⁵ [the whole of India⁶ [* * *].]

⁷(3) It applies to every industrial establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months:

Provided that the appropriate Government may, after giving not less than two months' notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any industrial establishment employing such number of number of persons less than one hundred as may be specified in the notification :

⁸[* * * *]

⁹[(4) Nothing in this Act shall apply to-

¹ For Statement of Objects and Reasons, see Gaz., of India, 1946, Pt. V, pp. 179 & 180

² Came into force w.e.f. 23-12-1963, vide Noti. No. S.O., 3594 dt. 23-12-1963

³ Came into force w.e.f. 17.5.1982 vide Noti. No. S.O. 326 (E) dated 17-5-1982 (1982 CCL-III-146)

⁴ **History of the Act.-** The Act has been amended by the Indian Independence (Adaptation of Central Acts and Ordinances) Order, 1943; The A.O. 1950; Act 3 of 1951; Act 36 of 1956; Act 16 of 1961; Act 39 of 1963; 51 of 1970 and 18 of 1982,

Object of the Act.- That the object of the Act is to have uniform Standing Orders providing for the matters enumerated in the Schedule to the Act, that it was not intended that there should be different conditions of service for those who are employed before and those employed after the Standing Orders came into force and finally, once the Standing

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Orders come into the force, they bind all those presently in the employment of the concerned establishment as well as those who are appointed thereafter. *Agra Electric Supply Co. Ltd. v. Aladdin*, (1969) 2 SCC 598; *U.P. Electric Supply Co. Ltd. v. Their Workman*, (1972) 2 SEC 54.

⁵ Subs. by the A.O. 1950, for “all the Provinces of India”

⁶ Omitted by Act No. 51 of 1970.

⁷ Subs. by Act No. 16 of 1961, S. 2 for sub-section (3)

⁸ The 2nd proviso to sub-section (3) omitted by Act No. 39 of 1963



(i) any industry to which the provisions of Chapter VII of the Bombay Industrial Relations Act, 1946, apply; or

(ii) any industrial establishment to which the provisions of the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961 apply :

Provided that notwithstanding anything contained in the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961, the provisions of this Act shall apply to all industrial establishments under the control of the Central Government .]

2. **Interpretation.-** In this Act, unless there is anything repugnant in the subject or context

¹⁰ [(a) “appellate authority” means an authority appointed by the appropriate Government by notification in the Official Gazette to exercise in such area as may be specified in the notification the functions of an appellate authority under this Act :

Provided that in relation to an appeal pending before an Industrial Court or other authority immediately before the commencement of the Industrial Employment (Standing Orders) Amendment Act, 1963, that Court or authority shall be deemed to be the appellate authority:]

(b) “appropriate Government” means in respect of industrial establishments under the control of the Central Government or a [Railway administration] or in a major Port, mine or oil field, the Central Government, and in all other in all other cases the State Government :

¹² [Provided that where question arises as to whether any industrial establishment is under the control of the Central industrial establishment is under the control of the Central Government that Government may, either on a reference made to it by the employer or the workman or a trade union or other representative body of the workmen, or on its own motion and after giving the parties an opportunity of being heard, decide the question and such decision shall be final and binding on the parties :]

¹³ [(c) “Certifying Officer” means a Labour Commissioner or a Regional Labour Commissioner, and includes any other officer appointed by the appropriate Government, by notification in the Official Gazette, to perform all or any of the functions of a Certifying Officer under this Act:]

(d) “employer” means the owner of an industrial establishment to which this Act for the time being applies, and includes-

⁹ Added by ibid

¹⁰ Subs. by Act No. 39 of 1963

¹¹ Subs. by the A.O. 1950, for “Federal railway”.

¹² Ins. by Act No. 18 of 1982 (w.e.f. 17-5-1982)

¹³ Subs. by Act No. 16 of 1961, S. 3, for cl. (c).



- (i) in a factory, any person named under ¹⁴[clause (f) of sub-section (1) of Section 7 of the Factories Act, 1948], as manager of the factory;
 - (ii) in any industrial establishment under the control of any department of any Government in India, the authority appointed by such Government in this behalf, or where no authority is so appointed, the head of the department;
 - (iii) in any other industrial establishment, any person responsible to the owner for the supervision and control of the industrial establishment;
- (e) “industrial establishment” means
- (i) an industrial establishment as defined in clause (ii) of Section 2 of the Payment of Wages Act, 1936, or
 - ¹⁵[(ii) a factory as defined in clause (m) of Section 2 of the Factories Act, 1948, or]
 - (iii) a railway as defined in clause (4) of Section 2 of the Indian Railway Act, 1890, or
 - (iv) the establishment of a person who, for the purpose of fulfilling a contract with the owner of any industrial establishment, employs workmen;
- (f) “prescribed” means prescribed by rules made by the appropriate Government under this Act ;
- (g) “standing orders” means rules relating to matters set out in the Schedule:
- (h) “trade union” means a trade union for the time being registered under the Indian Trade Union Act, 1926;
- ¹⁶[(i) “wages” and “workman” have the meanings respectively assigned to them in clauses (rr) and (s) of Section 2 of the Industrial Disputes Act, 1947 (14 of 1947).]

3. Submission of draft standing orders.--(1) Within six months from the date on which this Act becomes applicable to an industrial establishment, the employer shall submit to the Certifying Officer five copies of the draft standing orders proposed by him for adoption in this industrial establishment.

(2) Provision shall be made in such draft for every matter set out in the Schedule which may be applicable to the industrial establishment, and where Model standing orders have been prescribed shall be, so far as is practicable, in conformity with such model.

(3) The draft standing orders submitting under this section shall be accompanied by a statement giving prescribed particulars of the workmen employed in the industrial establishment including the name of the trade union, if any, to which they belong.

(4) Subject to such conditions as may be prescribed, a group of employers in similar industrial establishments may submit a joint draft of standing orders under this section.

4. Conditions for certification of standing orders.--Standing orders shall be certifiable under this Act if--

¹⁴Subs. by S. 3, ibid, for “cl. (e) of sub- section (1) of S. 9, the Factories Act, 1934”.

¹⁵ Subs. by Act No. 16 of 1961, S. 3, for sub clause (ii)

¹⁶ Subs by Act No. 18 of 1982 (w.e.f. 17-5-1982).



(a) provision is made therein for every matter set out in the Schedule which is applicable to the industrial establishment, and

(b) the standing orders are otherwise in conformity with the provisions of this Act ;

¹⁷
and it [shall be the function] of the Certifying Officer or appellate authority to adjudicate upon the fairness or reasonableness of the provisions of any standing orders.

5. Certification of standing orders.--(1) On receipt of the draft under Section 3, the Certifying Officer shall forward a copy thereof to the trade union, if any, of the workmen, or where there is no such trade union, if any, of the workmen or where there is no trade union, to the workmen in such manner as may be prescribed, together with a notice in the prescribed form requiring objections, if any, which the workmen may desire to make to the draft standing orders to be submitted to him within fifteen days from the receipt of the notice.

(2) After giving the employer and the trade union or such other representatives of the workmen as may be prescribed an opportunity of being heard, the Certifying Officer shall decide whether or not any modification of or addition to the draft submitted by the employer is necessary to render the draft standing orders certifiable under this Act, and shall make an order in writing accordingly.

(3) The Certifying Officer shall, thereupon, certify the draft standing orders, after making any modifications there in which his order under sub-section (2) may require, and shall within seven days thereafter send copies of the certified standing orders authenticated in the prescribed manner and of his order under sub-section (2) to the employer and to the trade union or other prescribed representatives of the workmen.



6. Appeals.--(1) ¹⁸[Any employer, workmen, trade union or other prescribed representatives of the workmen] aggrieved by the order of the Certifying Officer under sub-section (2) of Section 5 may, within ¹⁹[thirty days] from the date on which copies are sent under sub-section (3) of that section, appeal to the appellate authority, and the appellate authority, whose decision shall be final, shall by order in writing confirm the standing orders either in the form certified by the Certifying Officer or after amending the said standing orders by making such modifications thereof or additions there to as it thinks necessary to render the standing orders certifiable under this Act.

(2) The appellate authority shall, within seven days of its order under sub-section (1) send copies thereof to the Certifying Officer, to the employer and to the trade union or other prescribed representatives of the workmen, accompanied, unless it has confirmed without amendment the standing orders as certified by the Certifying Officer, by copies of
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the standing orders a certified by it and authenticated in the prescribed manner.

7. Date of operation of standing orders.--Standing orders shall, unless an appeal is preferred under Section 6, come into operation on the expiry of thirty days from the date on which authenticated copies thereof are sent under sub-section (3) of Section 5, or where an appeal as aforesaid is preferred, on the expiry of seven days from the date on

¹⁷ Subs, by Act No. 36 of 1956, S. 32, for 'shall not be the function". (w.e.f. 17-9-1956),

¹⁸ Subs, by Act No. 18 of 1982 (w.e.f. 17-5-1982).

¹⁹ Subs, by Act No. 1 of 1961, s. 4, for twenty-one days".



which copies of the order of the appellate authority are sent under sub-section (2) of Section 6.

8. Register of standing orders. -- A copy of all standing orders as finally certified under this Act shall be filed by the Certifying Officer in a register in the prescribed form maintained for the purpose, and the Certifying Officer shall furnish a copy there of to any person applying there for on payment of the prescribed fee.

9. Posting of standing orders.--The text of the standing orders as finally certified under this Act shall be prominently posted by the employer in English and in the language understood by the majority of his workmen on special boards to be maintained for the purpose at or near the entrance through which the majority of the workmen enter the industrial establishment and in all departments thereof where the workmen are employed.

10. Duration and modification of standing orders.--(1) Standing orders finally certified under this Act shall not, except on agreement between the employer and the workmen²⁰ or a trade union or other representative body of the workmen] be liable to modification until the expiry of six months from the date on which the standing orders or the last modifications thereof came in to operation.

²¹[(2) Subject to the provisions of sub-section (1), an employer or workman²² or a trade union or other representative body of the workmen] may apply to the Certifying Officer to have the standing orders modified, and such application shall be accompanied by five copies of²³ [***] the modifications proposed to be made, and where such modifications are proposed to be made by agreement between the employer and the workmen¹⁹ or a trade union or other representative body of the workmen], a certified copy of that agreement shall be filed along with the application.]

(3) The foregoing provisions of this Act shall apply in respect of an application under sub-section (2) as they apply to the certification of the first standing orders.

²⁴[(4) Nothing contained in sub-section (2) shall apply to an industrial establishment in respect of which the appropriate Government is the Government of the State of Gujarat or the Government of the State of Maharashtra.]

²⁵**[10-A. Payment of subsistence allowance.**--(1) Where any workman is suspended by the employer pending investigation or inquiry into complaints or charges of misconduct against him, the employer shall pay to such workman subsistence allowance-

(a) at the rate of fifty per cent of the wages which workman was entitled to immediately preceding the date of such suspension, for the first ninety days of suspension; and

²⁰ Ins. by Act No.18 of 1982 (w.e.f.17-5-1982).

²¹ Subs, by Act No. 36 of 1956, S. 32, for the original sub-section (w.e.f. 17-9-956).

²² Ins. by Act No.18 of 1982 (w.e.f.17-5-1982).

²³ Omitted by Act No. 39 of 963.

²⁴ Added by *ibid.*

²⁵ Ins. by Act No. 18 of 1982 (w.e.f. 17-5-1982).



(b) at the rate of seventy-five per cent of such wages for the remaining period of suspension if the delay in the completion of disciplinary proceedings against such workman is not directly attributable to the conduct of such workman.

(2) If any dispute arises regarding the subsistence allowance payable to a workman under sub-section (1), the workman or the employer concerned may refer the dispute to the Labour Court, constituted under the Industrial Disputes Act, 1947 (14 of 1947), within the local limits of whose jurisdiction the industrial establishment wherein such workman is employed is situate and the Labour Court to which the dispute is so referred shall, after giving the parties an opportunity of being heard, decide the dispute and such decision shall be final and binding on the parties.

(3) Not with standing anything contained in the foregoing provisions of this section, where provisions relating to payment of subsistence allowance under any other law for the time being in force in any State are more beneficial than the provisions of this section, the provisions of such other law shall be applicable to the payment of subsistence allowance in that State.]

11. Certifying Officers and appellate authorities to have powers of Civil Court.-

(1) Every Certifying Officer and appellate authority shall have all the powers of a Civil Court for the purposes of receiving evidence, administering oaths,, enforcing the attendance of witnesses, and compelling the discovery and production of documents, and shall be deemed to be a Civil Court within the meaning of [Sections 345 and 346 of the Code of Criminal Procedure, 1973 (2 of 1974)]²⁶

²⁷ [(2) Clerical or arithmetical mistakes in any order passed by a Certifying officer or appellate authority, or errors arising therein from any accidental slip or omission may, at any time, be corrected by that Officer or authority or the successor in office of such officer or authority, as the case may be.]

12. Oral evidence in contradiction of standing orders not admissible.--No oral evidence having the effect of adding to or otherwise varying or contradicting standing orders finally certified under this Act shall be admitted in any Court.

²⁸ [12-A. Temporary application of model standing orders.--(1) Notwithstanding anything contained in Sections to 12, for the period commencing on the date on which this Act becomes applicable to an industrial establishment and ending with the date on which the standing orders as finally certified under this Act come into operation under Section 7 in that establishment, the prescribed model standing orders shall be deemed to be adopted in that establishment, and the provisions of Section 9, sub-section (2) of Section 13 and Section 13-A shall apply to such model standing orders as they apply to the standing orders so certified.

²⁶

Added by *ibid*.

²⁷

The original S. 11 renumbered as sub-section (1) and sub-section (2) added by Act No. 39 of 1963

28 Added by Act No. 39 of 1963.

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(2) Nothing contained in sub-section (1) shall apply to an industrial establishment in respect of which the appropriate Government is the Government of the State of Gujarat or the Government of the State of Maharashtra.]

Section 12-A.--Where there are two categories of workmen, one in respect of the daily rated workmen and the other in respect of the monthly rated workmen, if there are certified standing orders in respect of the daily rated workers only, the prescribed model standing orders should be deemed to have been adopted for those who are employed on the monthly basis until such categories have their own certified standing orders,

13. Penalties and procedure.--(1) An employer who fails to submit draft standing orders as required by Section 3 or who modifies his standing orders otherwise than in accordance with Section 10, shall be punishable with fine which may extend to five thousand rupees, and in the case of a continuing offence with a further fine which may extend to two hundred rupees for every day after the first during which the offence continues.

(2) An employer who does any act in contravention of the standing orders finally certified under this Act for his industrial establishment shall be punishable with fine which may extend to one hundred rupees, and in the case of a continuing offence with a further fine which may extend to twenty-five rupees for every day after the first during which the offence continues.



(3) No prosecution for an offence punishable under this section shall be instituted except with the previous sanction of the appropriate Government.

(4) No Court inferior to that of ²⁹[a Metropolitan or Judicial Magistrate of the second class] shall try any offence under this section.



³⁰[**13-A. Interpretation, etc., of standing orders.--**If any question arises as to the application or interpretation of a standing order certified under this Act, any employer or workman [or a trade union or other representative body of the workmen] ³¹ may refer the question to any one of the Labour Courts constituted under the Industrial Disputes Act, 1947, and specified for the disposal of such proceeding by the appropriate Government by notification in the Official Gazette, and the Labour Court to which the question is so referred shall, after giving the parties an opportunity of being heard, decide the question and such decision shall be final and binding on the parties.

13-B. Act not to apply to certain industrial establishments.--Nothing in this Act shall apply to an industrial establishment in so far as the workmen employed therein are

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persons to whom the Fundamental and Supplementary Rules, Civil Services (Classification, Control and Appeal) Rules, Civil Services (Temporary Service) Rules, Revised Leave Rules, Civil Service Regulations, Civilians in Defense Service (Classification, Control and Appeal) Rules or the Indian Railway Establishment Code or any other rules or regulations than may be notified in this behalf by the appropriate Government in the Official Gazette, apply.]

²⁹ Sub., by Act no. 18 of 1982 (w.e.f. 17-5-1982)

³⁰ Ins. by Act No. 36 of 1956, S. 32 (w.e.f. 10.3.1957).

³¹ Ins. by Act No.18 of 1982 (w.e.f. 17-5-1982).



14. Power of exempt.--The appropriate Government may by notification in the Official Gazette exempt, conditionally or unconditionally any industrial establishment or class of industrial establishments from all or any of the provisions of this Act.

³²[**14-A. Delegation of powers.**--The appropriate Government may by notification in the Official Gazette, direct that any power exercisable by it under this Act or any rules made thereunder shall, in relation to such matters and subject to such conditions, if any, as may be specified in the direction, be exercisable also-

(a) Where the appropriate Government is the Central Government, by such officer or authority subordinate to the Central Government or by the State Government, or by such officer or authority subordinate to the State Government, as may be specified in the notification;

(b) where the appropriate Government is a State Government, by such officer or authority subordinate to the State Government, as may be specified in the notification.]

15. Power to make rules.--(1) The appropriate Government may after previous publication, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may--

- (a) prescribe additional matters to be included in the Schedule, and the procedure to be followed in modifying standing orders certified under this Act in accordance with any such addition;
- (b) set out model standing orders for the purposes of this Act;
- (c) prescribe the procedure of Certifying Officers and appellate authorities;
- (d) Prescribe the fee which may be charged for copies of standing orders entered in the register of standing orders;
- (e) provide for any other matter which is to be or may be prescribed;

Provided that before any rules are made under clause (a) representatives of both employers and workmen shall be consulted by the appropriate Government.

³³[(3) Every rule made by the Central Government under this section shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or ³⁴ [in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid] both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so however that any such modification or annulment shall be without prejudice to the validity of any thing previously done under that rule.]

THE SCHEDULE

³² *Ins.* by Act No. 16 of 1961, S. 5, and *sub.* by Act No. 39 of 1963.

³³ Ins.by S. 6 of Act No. 16 of 1961.

³⁴ Sub. By Act No. 18 of 1982 (w.e.f. 17-5-1982).



[See Sections 2 (g) and 3(2)]
MATTERS TO BE PROVIDED IN STANDING ORDERS UNDER
THIS ACT

1. Classification of workmen, *e.g.*, whether permanent, temporary, apprentices, probationers, *or badlis*.
2. Manner of intimating to workmen periods and hours of work, holidays, pay-days and wage rates.
3. Shift working.
4. Attendance and late coming.
5. Conditions of, procedure in applying for, and the authority which may grant leave and holidays.
6. Requirement to enter premises by certain gates, an liability to search.
7. Closing and reporting of sections of the industrial establishment, temporary stoppages of work and the rights and liabilities of he employer and workmen arising there from.
8. Termination of employment, and the notice thereof to be given by employer and workmen.
9. Suspension or dismissal for misconduct, and acts or omissions which constitute misconduct.
10. Means of redress for workmen against unfair treatment or wrongful exactions by the employer or his agents or servants.
11. Any other matter which may be prescribed.

