

# THE INDUSTRIAL DISPUTES ACT 1947

*An Act to make provision for the investigation and settlement of industrial disputes, and for certain other purposes*

Whereas it is expedient to make provision for the investigation and settlement of industrial disputes, and for certain other purposes hereinafter appearing ;

It is hereby enacted as follows :

## CHAPTER I PRELIMINARY

**1: Short title, extent and commencement.**—(1) This Act may be called the Industrial Disputes Act, 1947.

<sup>1</sup>(2) It extends to the whole of India :

Provided that it shall not apply to the State of Jammu and Kashmir except to the extent to which the provisions of the Act relate to industrial disputes concerning workmen employed under the Government of India.]

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

(a) “appropriate Government” means—

(i) in relation to any industrial dispute concerning any industry carried on by or under the authority of the Central Government <sup>2</sup>[\* \* \*] or by a railway company <sup>3</sup>[or concerning any such controlled industry as may be specified in this behalf by the Central Government] <sup>4</sup>[\* \* \*] or in relation to an

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1. Subs. by Act 36 of 1955, with effect from 29-2-1956.

2. The word “by the Federal Railway Authority” omitted by A.G.A.Q. 1948.

3. Inserted by Act 65 of 1951.

4. Omitted by A.L.O. 1950.

industrial dispute concerning <sup>1</sup>[the Employees' State Insurance Corporation established under section 3 of the Employees' State Insurance Act, 1948 (34 of 1948), or <sup>2</sup>[the "Indian Air Lines" and "Air India" Corporations established under section 3 of the Air Corporation Act, 27 of 1953] or, the Agricultural Refinance Corporation established under section 3 of the Agricultural Refinance Corporation Act, 1963 (10 of 1963), or the Deposit Insurance Corporation established under section 3 of the Deposit Insurance Corporation Act, 1961] or <sup>3</sup>[the Unit Trust of India established under section 3 of the Unit Trust of India Act, 1963] or, <sup>4</sup>[\* \* \*] <sup>5</sup>[a banking or an insurance company, a mine, an oilfield], <sup>6</sup>[a Cantonment Board] or a major port, the Central Government; and

(ii) in relation to any other industrial dispute, the State Government;

[(aa) "arbitrator" includes an umpire;]

<sup>7</sup>[(aaa) "average pay" means the average of the wages payable to a workman—

(i) in the case of monthly paid workman, in the three complete calendar months;

(ii) in the case of weekly paid workman, in the four complete weeks;

(iii) in the case of daily paid workman, in the twelve full working days,

preceding the date on which the average pay becomes payable if the workman had worked for three complete calendar months or four complete weeks or twelve full working days, as the case may be, and where such calculation cannot be made, the average pay shall be calculated as the average of the wages payable to a workman during the period he actually worked;]

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1. Ins. by Act 47 of 1961 and subs. by Act 34 of 1964, S. 2.
  2. Inserted by Act 35 of 1965, S. 2.
  3. Ins. by Act 52 of 1963.
  4. Omitted by Act 54 of 1964, Sec. 2.
  5. Subs. by Act 54 of 1949, Sec. 3.
  6. Ins. by Act 34 of 1964.
  7. Ins. by Act 43 of 1953 and renumbered as (aaa) by *ibid.*

<sup>1</sup>[(b) “award” means an interim or a final determination of any industrial dispute or of any question relating thereto by any Labour Court, Industrial Tribunal or National Industrial Tribunal and includes an arbitration award made under section 10-A ;]

<sup>2</sup>[(bb) “banking company” means a banking company as defined in section 5 of the Banking Companies Act, 1949 (X of 1949) having branches or other establishments in more than one State, and includes <sup>3</sup>[the Industrial Development Bank of India,] the Reserve Bank of India, the State Bank of India and any subsidiary Bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959 ;]

(c) “Board” means a Board of Conciliation constituted under this Act;

(d) “Conciliation Officer” means a Conciliation Officer appointed under this Act ;

(e) “Conciliation proceeding” means any proceeding held by a Conciliation Officer or Board under this Act ;

<sup>4</sup>[(ee) “controlled industry” means any industry the control of which by the Union has been declared by any Central Act to be expedient in the public interest ;]

<sup>5</sup>[\* \* \*]

(f) “Court” means a Court of Inquiry constituted under this Act ;

(g) “employer” means—

(i) in relation to industry carried on by or under the authority of any department of the Central Government or a State Government, the authority prescribed in this behalf or where no authority is prescribed, the head of the department ;

(ii) in relation to an industry carried on by or on behalf of a local authority, the chief executive officer of that authority ;

(h) [Omitted by A. O. 1950 ;]

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1. Substituted by Act 36 of 1956.

2. Subs. by Act 38 of 1959.

3. Ins. by Act 18 of 1964 to take effect from 1-7-1964.

4. Ins. by Act 65 of 1951.

5. Clause (eee) inserted by Act 43 of 1953, but omitted by Act 36 of 1964.

(i) a person shall be deemed to be “independent” for the purpose of his appointment as the chairman or other member of Board, Court or Tribunal, if he is unconnected with the industrial dispute referred to such Board, Court or Tribunal or with any industry directly affected by such dispute :

<sup>1</sup>[Provided that no person shall cease to be independent by reason only of the fact that he is a shareholder of an incorporated company which is connected with or likely to be affected by, such industrial dispute, but in such a case, he shall disclose to the appropriate Government the nature and extent of the shares held by him in such company ;]

(j) “industry” means any business, trade, undertaking, manufacture or calling of employers and includes any calling, service, employment, handicraft or industrial occupation or avocation of workmen ;

(k) “industrial dispute” means any dispute or difference between employers and employers or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person ;

<sup>2</sup>[(kk) “insurance company” means in insurance company as defined in section 2 of the Insurance Act, 1938 (IV of 1938), having branches or other establishments in more than one State ;]

<sup>3</sup>[(kka) “Labour Court” means a Labour Court constituted under section 7 ;]

<sup>3</sup>[(kkk) “lay-off” (with its grammatical variations and cognate expressions) means the failure, refusal or inability of an employer on account of shortage of coal, power or raw materials or the accumulation of stocks or the breakdown of machinery or for any other reasons to give employment to a workman whose name is borne on the muster rolls of his industrial establishment and who has not been retrenched.

*Explanation.*—Every workman whose name is borne on the muster rolls of the industrial establishment and who presents himself for work at

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1. Added by Act 18 of 1952.
  2. Inserted by Act 54 of 1949.
  3. Inserted by Act 36 of 1956.

the establishment at the time appointed for the purpose during normal working hours on any day is not given employment by the employer within two hours of his so presenting himself shall be deemed to have been laid-off for that day within the meaning of this clause :

Provided that if the workman, instead of being given employment at the commencement of any shift for any day is asked to present himself for the purpose during the second half of the shift for the day and is given employment then, he shall be deemed to have been laid-off only for one-half of that day :

Provided further that if he is not given any such employment even after so presenting himself, he shall not be deemed to have been laid-off for the second half of the shift for the day and shall be entitled to full basic wages and dearness allowance for that part of the day ;]

(l) “lock-out” means the closing of a place of employment, or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him ;

<sup>1</sup>[(la) “major port” means a major port as defined in clause (8) of section 3 of the Indian Ports Act, 1908 (15 of 1908) ;

(lb) “mine” means a mine as defined in clause (j) of sub-section (1) of section 2 of the Mines Act, 1952 (35 of 1952) ;]

<sup>2</sup>[(ll) “National Tribunal” means a National Industrial Tribunal constituted under section 7-B ;]

(m) “prescribed” means prescribed by rules made under this Act ;

(n) “public utility service” means—

(i) any railway service <sup>1</sup>[or any transport service for the carriage of passengers or goods by air] ;

(ii) any section of an industrial establishment on the working of which the safety of the establishment or the workmen employed therein depends ;

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1. Inserted by Act 36 of 1964.

2. Inserted by Act 36 of 1956.

- (iii) any postal, telegraph or telephone service ;
- (iv) any industry which supplies power, light or water to the public ;
- (v) any system of public conservancy or sanitation ;
- (vi) any industry specified in the <sup>1</sup>[First Schedule] which the appropriate Government may, if satisfied that public emergency or public interest so requires, by notification in the *Official Gazette*, declare to be public utility service for the purposes of this Act, for such period as may be specified in the notification :

Provided that the period so specified shall not, in the first instance, exceed six months but may, by a like notification, be extended from time to time, by any period not exceeding six months, at any one time if in the opinion of the appropriate Government public emergency or public interest requires such extension ;

(o) "railway company" means a railway company as defined in section 3 of the Indian Railways Act, 1890 (IX of 1890) ;

<sup>2</sup>[(oo) "retrenchment" means the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include—

- (a) voluntary retirement of the workman ; or
- (b) retirement of the workman on reaching the age of superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf ; or
- (c) termination of the service of a workman on the ground of continued ill-health ;]

<sup>3</sup>[(p) "settlement" means a settlement arrived at in the course of

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1. Subs. by Act 36 of 1964.

2. Inserted by Act 43 of 1953.

3. Subs. by Act 36 of 1956.

conciliation proceeding and includes a written agreement between the employer and workmen arrived at otherwise than in the course of conciliation proceeding where such agreement has been signed by the parties thereto in such manner as may be prescribed and a copy thereof has been sent to <sup>1</sup>[an officer authorised in this behalf by] the appropriate Government and the Conciliation Officer ;]

(q) “strike” means a cessation of work by a body of persons employed in any industry acting in combination, or a concerned refusal, or a refusal under a common understanding, of any number of persons who are or have been so employed to continue to work or to accept employment ;

<sup>2</sup>[(r) “Tribunal” means an Industrial Tribunal constituted under section 7-A and includes an Industrial Tribunal constituted before the 10th day of March, 1957, under this Act ;]

<sup>3</sup>[(rr) “wages” means all remuneration capable of being expressed in terms of money, which would, if the terms of employment, expressed or implied, were fulfilled, be payable to a workman, in respect of his employment or of work done in such employment, and includes—

(i) such allowances (including dearness allowance) as the workman is for the time being entitled to ;

(ii) the value of any houses accommodation, or of supply of light, water, medical attendance or other amenity or of any service or of any concessional supply of foodgrain or other articles ;

(iii) any travelling concession ;

but does not include—

(a) any bonus ;

(b) any contribution paid or payable by the employer to any pension fund or provident fund or for the benefit of the workman under any law for the time being in force ;

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1. Inserted by Act 35 of 1965.

2. Subs. by Act 18 of 1957.

3. Inserted by Act 43 of 1953.

(c) any gratuity payable on the termination of his service ;]

<sup>1</sup>[ (s) "workman" means any person (including an apprentice) employed in any industry to do any skilled or unskilled manual, supervisory, technical or clerical work for hire or reward, whether the terms of employment be expressed or implied, and for the purposes of any proceeding under this Act in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched in connection with, or as a consequence of, that dispute or whose dismissal, discharge or retrenchment has led to that dispute; but does not include any such person—

- (i) who is subject to the Army Act, XLVI, of 1950, or the Air Force Act, XLV of 1950, or the Navy (Discipline) Act, XXXIV of 1934<sup>2</sup> ; or
- (ii) who is employed in the Police Service or as an officer or other employee of a prison; or
- (iii) who is employed mainly in a managerial or administrative capacity; or
- (iv) who being employed in a supervisory capacity, draws wages exceeding five hundred rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature]

<sup>3</sup>[2-A. Dismissal etc., of an individual workman to be deemed to be an industrial dispute.— Where any employer discharges, dismisses, retrenches or otherwise terminates the services of an individual workman, any dispute or difference between that workman and his employer connected with, or arising out of, such discharge, dismissal, retrenchment or termination shall be deemed to be an industrial dispute notwithstanding that no other workman nor any union of workmen is a party to the dispute.]

## CHAPTER II

### AUTHORITIES UNDER THIS ACT

3. **Works Committee**—(1) In the case of any industrial establishment in which one hundred or more workmen are employed or have been

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1. Subs. by Act 36 of 1956.
  2. See now the Navy Act, 1957 (62 of 1957).
  3. Ins. by Act 35 of 1965.