

# The Industrial Disputes Act 1947



**THE INDUSTRIAL DISPUTES ACT, 1947**

**ACT NO. 14 OF 1947 1\***

**[11th March, 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. Short title, extent and commencement.- (1) This Act may be called the Industrial Disputes Act, 1947.

2\*[2] It extends to the whole of India:

3\* \* \* \* \*

(3) It shall come into force on the first day of April, 1947.

2.

Definitions.

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 4\*\*\* any industry carried on by or under the authority of the Central Government, 5\*\*\* or by a railway company 6\*[or concerning any such controlled industry as may be specified in this behalf by the Central Government] 7\*\*\* or in relation to an industrial dispute concerning 8\*[9\*[10\*

- 1. This Act has been extended to Goa, Daman and Diu by Reg. 12 of 1962, to Pondicherry (w.e.f. 1-10-1963) by Reg. 7 of 1963 and Laccadive, Minicoy and Amindivi Islands by Reg. 8 of 1965, s. 3 and Sch.  
2. Subs. by Act 36 of 1956, s. 2, for the former sub-section (w.e.f. 29-8-1956).  
3. Proviso omitted by Act 51 of 1970, s. 2 and Sch. (w.e.f. 1-9-1971).  
4. Certain words and figures inserted by Act 10 of 1963, s. 47 and Sch. II, Pt. II have been omitted by Act 36 of 1964, s. 2 (w.e.f. 19-12-1964).  
5. The words "by the Federal Railway Authority" omitted by the A. O. 1948.

6. Ins. by Act 65 of 1951, s. 32.
7. The words "operating a Federal Railway" omitted by the A. O. 1950.
8. Ins. by Act 47 of 1961, s. 51 and Sch. II, Pt. III (w.e.f. 1-1-1962).
9. Subs. by Act 36 of 1964, s. 2, for "the Deposit Insurance Corporation established" (w.e.f. 19-12-1964).
10. Subs. by Act 45 of 1971, s. 2 (w.e.f. 15-12-1971).

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[a Dock Labour Board established under section 5A of the Dock Workers (Regulation of Employment) Act, 1948 (9 of 1940), or the Industrial Finance Corporation of India established under section 3 of the Industrial Finance Corporation Act, 1948 (15 of 1948), or the Employees' State Insurance Corporation established under section 3 of the Employees' State Insurance Act, 1948 (34 of 1948), or the Board of Trustees constituted under section 3A of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948), or the Central Board of Trustees and the State Boards of Trustees constituted under section 5A and section 5B, respectively, of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (19 of 1952), or the "Indian Airlines" and "Air India" Corporations established under section 3 of the Air Corporations Act, 1953 (27 of 1953), or the Life Insurance Corporation of India established under section 3 of the Life Insurance Corporation Act, 1956 (31 of 1956), or the Oil and Natural Gas Commission established under section 3 of the Oil and Natural Gas Commission Act, 1959 (43 of 1959), or the Deposit Insurance and Credit Guarantee Corporation established under section 3 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (47 of 1961), or the Central Warehousing Corporation established under section 3 of the Warehousing Corporations Act, 1962 (58 of 1962), or the Unit Trust of India established under section 3 of the Unit Trust of India Act, 1963 (52 of 1963), or the Food Corporation of India established under section 3, or a Board of Management established for two or more contiguous States under section 16, of the Food Corporations Act, 1964 (37 of 1964), or the International Airports Authority of India constituted under section 3 of the International Airports Authority of India Act, 1971 (48 of 1971), or a Regional Rural Bank established under section 3 of the Regional Rural Banks Act, 1976 (21 of 1976), or the Export Credit and Guarantee Corporation Limited or the Industrial Reconstruction Bank of India 2\* [the National Housing Bank established under section 3 of the National Housing Bank Act, 1987 (53 of 1987) or] 3\*[a banking or an insurance company, a mine, an oil-field] 4\*[, a Cantonment Board,] or a major port, the Central Government, and

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

4\*[(aa) "arbitrator" includes an umpire;]

5\*[6\*[(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,

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1. Subs. by Act 46 of 1982, s. 2 (w.e.f. 21-8-1984).
  2. Ins. by Act 53 of 1987, s. 56 and Sch. II (w.e.f. 9-7-1988).
  3. Subs. by Act 54 of 1949, s. 3, for "a mine, oil-field".
  4. Ins. by Act 36 of 1964, s. 2 (w.e.f. 19-12-1964).
  5. Ins. by Act 43 of 1953, s. 2 (w.e.f. 24-10-1953).
  6. Cl. (aa) relettered as "(aaa)" by Act 36 of 1964, s. 2 (w.e.f. 19-12-1964).

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(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;]

1\*[(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 10A;]

2\*[(bb) "banking company" means a banking company as defined in section 5 of the Banking Companies Act, 1949 (10 of 1949), having branches or other establishments in more than one State, and includes 3\*[the Export-Import Bank of India 4\*[the Industrial Reconstruction Bank of India,] 5\*[the Industrial Development Bank of India,] 6\*[the Small Industries Development Bank of India established under section 3 of the Small Industries Development Bank of India Act, 1989 (39 of 1989),] the Reserve Bank of India, the State Bank of India 7\*[a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970), 8\*[a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (40 of 1980), and any subsidiary bank]] as defined in the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959);]

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

9\*[(cc) "closure" means the permanent closing down of a place of employment or part thereof;]

(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;

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1. Subs. by Act 36 of 1956, s. 3, for cl. (b) (w.e.f. 10-3-1957).
  2. Subs. by Act 38 of 1959, s. 64 and Sch. III, Pt. II, for cl. (bb) which was ins. by Act 54 of 1949, s. 3.
  3. Ins. by Act 28 of 1981, s. 40 and Sch. II (w.e.f. 1-1-1982).
  4. Ins. by Act 62 of 1984, s. 71 and Sch. III (w.e.f. 20-3-1985).
  5. Ins. by Act 18 of 1964, s. 38 and Sch. II, Pt. II (w.e.f. 1-7-1964).
  6. Ins. by Act 39 of 1989, s. 53 and 2nd Sch. (w.e.f. 7-3-1990).
  7. Subs. by Act 5 of 1970, s. 20, for "and any subsidiary bank" (w.e.f. 19-7-1969).
  8. Subs. by Act 40 of 1980, s. 20 (w.e.f. 15-4-1980).
  9. Ins. by Act 46 of 1982, s. 2 (w.e.f. 21-8-1984).

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1\*[(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;]

2\* \* \* \*

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

(g) "employer" means--

(i) in relation to an industry carried on by or under the authority of any department of 3\*[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;

4\*[(gg) "executive", in relation to a trade union, means the body, by whatever name called, to which the management of the affairs of the trade union is entrusted;]

5\* \* \* \*

(i) a person shall be deemed to be "independent" for the purpose of his appointment as the chairman or other member of a 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:

6\* [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;]

7\*[(j) "industry" means any systematic activity carried on by co-operation between an employer and his workmen (whether such workmen are employed by such employer directly or by or through any agency, including a contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes (not being wants or wishes which are merely spiritual or religious in nature), whether or not,--

(i) any capital has been invested for the purpose of carrying on such activity; or

(ii) such activity is carried on with a motive to make any gain or profit,

and includes--

(a) any activity of the Dock Labour Board established under section 5A of the Dock Workers (Regulation of Employment) Act, 1948 (9 of 1948);

(b) any activity relating to the promotion of sales or business or both carried on by an establishment.

but does not include--

(1) any agricultural operation except where such agricultural operation is carried on in an integrated manner with any other activity (being any such activity as is referred to in the foregoing provisions of this clause) and such other activity is the predominant one.

Explanation.--For the purposes of this sub-clause, "agricultural operation" does not include any activity carried on in a plantation as defined in clause (f) of section 2 of the Plantations Labour Act, 1951 (69 of 1951); or

(2) hospitals or dispensaries; or

(3) educational, scientific, research or training institutions; or

(4) institutions owned or managed by organisations wholly or

substantially engaged in any charitable, social or philanthropic service; or

(5) khadi or village industries; or

(6) any activity of the Government relatable to the sovereign functions of the Government including all the activities carried on by the departments of the Central Government dealing with defence research, atomic energy and space; or

(7) any domestic service; or

(8) any activity, being a profession practised by an individual or body or individuals, if the number of persons employed by the individual or body of individuals in relation to such profession is less than ten; or

(9) any activity, being an activity carried on by a co-operative society or a club or any other like body of individuals, if the number of persons employed by the co-operative society, club or other like body of individuals in relation to such activity is less than ten;]

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1. Ins. by Act 65 of 1951, s. 32.
  2. Cl. (eee) ins. by Act 43 of 1953, s. 2 omitted by Act 36 of 1964, s. 2 (w.e.f. 19-12-1964).
  3. Subs. by the A. O. 1948, for "a Government in British India".
  4. Ins. by Act 45 of 1971, s. 2 (w.e.f. 15-12-1971).
  5. Cl. (h) omitted by the A. O. 1950.
  6. Ins. by Act 18 of 1952, s. 2.
  7. Subs. by Act 46 of 1982, s. 2 (w.e.f. -----).

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(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;

1\*[(ka) "industrial establishment or undertaking" means an establishment or undertaking in which any industry is carried on:

Provided that where several activities are carried on in an establishment or undertaking and only one or some of such activities is or are an industry or industries, then,--

(a) if any unit of such establishment or undertaking carrying on any activity, being an industry, is severable from the other unit or units of such establishment or undertaking, such unit shall be deemed to be a separate industrial establishment or undertaking;

(b) if the predominant activity or each of the predominant activities carried on in such establishment or undertaking or any unit thereof is an industry and the other activity or each of the other activities carried on in such establishment or undertaking or unit thereof is not severable from and is, for the purpose of carrying on, or aiding the carrying on of, such predominant activity or activities, the entire establishment or undertaking or, as the case may be, unit thereof shall be deemed to be an industrial establishment or undertaking;]

2\*[(kk) "insurance company" means an insurance company as defined in section 2 of the Insurance Act, 1938 (4 of 1938), having branches or other establishments in more than one State ;]

1\*[(kka) "khadi" has the meaning assigned to it in clause (d) of

section 2 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956);]

3\*[(k) "Labour Court" means a Labour Court constituted under section 7;]

4\*[(kk) "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 5\*[or natural calamity or for any other connected reason] 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 the establishment at the time appointed for the purpose during normal working hours on any day and 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;]

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1. Ins. by Act 46 of 1984 s. 2 (w.e.f. 21-8-1984).
  2. Ins. by Act 54 of 1949, s. 3.
  3. Relettered by Act 46 of 1984, s. 2 (w.e.f. 21-8-1984).
  4. Ins. by Act 43 of 1953, s. 2 (w.e.f. 24-10-1953).
  5. Subs. by Act 46 of 1984, s. 2 (w.e.f. 21-8-1984).

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(l) "lock-out" means the 1\*[temporary 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;

2\*[(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)];

3\*[(ll) "National Tribunal" means a National Industrial Tribunal constituted under section 7B;]

4\*[(lll) "office bearer", in relation to a trade union, includes any member of the executive thereof, but does not include an auditor;]

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

(n) "public utility service" means--

(i) any railway service 2\*[or any transport service for the carriage of passengers or goods by air];

4\*[(ia) any service in, or in connection with the working of, any major port or dock;]

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

(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 4\*[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 a 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 noti-----

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1. Subs. by Act 46 of 1982, s. 2 (w.e.f. 21-8-1984).
  2. Ins. by Act 36 of 1964, s. 2 (w.e.f. 19-12-1964).
  3. Ins. by Act 36 of 1956, s. 3 (w.e.f. 10-3-1957).
  4. Ins. by Act 45 of 1971, s. 2 (w.e.f. 15-12-1971).
  5. Subs. by Act 36 of 1964, s. 2, for "Schedule" (w.e.f. 19-12-1964).

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fication, 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 (9 of 1890);

1\*[(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

2\*[(bb) termination of the service of the workman as a result of the non-renewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; or]

(c) termination of the service of a workman on the ground of continued ill-health;]

3\*[(p) "settlement" means a settlement arrived at in the course of 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

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1. Ins. by Act 43 of 1953, s. 2 (w.e.f. 24-10-1953).  
 2. Ins. by Act 49 of 1984, s. 2 (w.e.f. 18-8-1984).  
 3. Subs. by Act 36 of 1956, s. 3, for cl. (p) (w.e.f. 7-10-1956).

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thereof has been sent to 1\*[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 concerted 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;

2\*[(qq) "trade union" means a trade union registered under the Trade Unions Act, 1926 (16 of 1926);]

3\*[(r) "Tribunal" means an Industrial Tribunal constituted under section 7A and includes an Industrial Tribunal constituted before the 10th day of March, 1957, under this Act;]

2\*[(ra) "unfair labour practice" means any of the practices specified in the Fifth Schedule;

(rb) "village industries" has the meaning assigned to it in clause (h) of section 2 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956) ;]

4\*[(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 house accommodation, or of supply of light, water, medical attendance or other amenity or of any service or of any concessional supply of food-grains or other articles;

(iii) any travelling concession;

2\*[(iv) any commission payable on the promotion of sales or business or both;]

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;

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

5\*[(s) "workman" means any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express 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 Air Force Act, 1950 (45 of 1950), or the Army Act, 1950 (46 of 1950), or the Navy Act, 1957 (62 of 1957); 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 one thousand six 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.

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- 1. Ins. by Act 35 of 1965, s. 2 (w.e.f. 1-12-1965).
  - 2. Ins. and Subs. by Act 46 of 1982, s. 2 (w.e.f. 21-8-1984).
  - 3. Subs. by Act 18 of 1957, s. 2, for cl. (r) (w.e.f. 10-3-1957).
  - 4. Ins. by Act 43 of 1953, s. 2 (w.e.f. 24-10-1953).
  - 5. Subs. by Act 46 of 1982, s. 2 (w. e. f. 21-8-1984).

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2A.

Dismissal, etc., of an individual workman to be deemed to be an industrial dispute.

1\*[2A. 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.

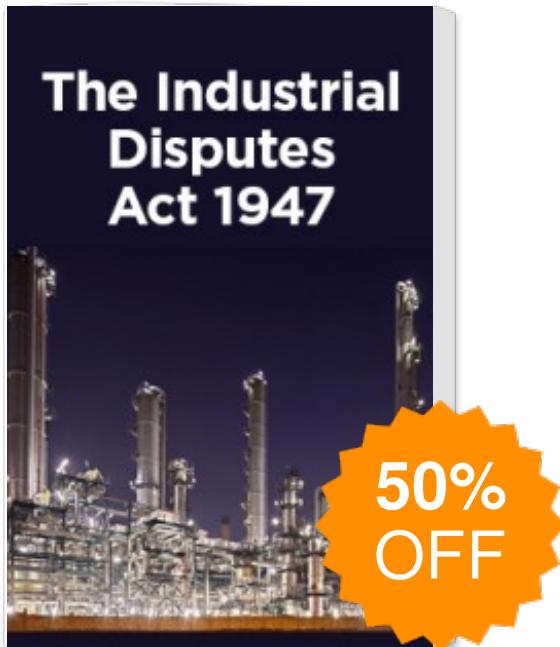
3. Works Committee.- (1) In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the establishment so however that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the

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- 1. Ins. by Act 35 of 1965, s. 3 (w.e.f. 1-12-1965).

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employer. The representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under

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