Information Technology Sector in Karnataka exempted from Standing Orders Act

Information technology (IT) and IT enabled Services (ITeS) establishments in Karnataka are exempted from compliance under the Industrial Employment (Standing Orders) Act of 1946, per recent Notification by Government of Karnataka for a period of 5 years from January 25, 2014, subject to the following conditions:

1. The establishment shall constitute an Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

2. The establishment shall set up a Grievance Redressal Committee to address complaints of employees in a time bound manner.

3. The establishment shall intimate the jurisdictional Deputy Labour Commissioner and the Commissioner of Labour, Karnataka about cases of disciplinary action, suspension, discharge, termination, demotion, dismissal, etc., of its employees.

4. The employer shall ensure prompt submission of any information regarding the service conditions of the employees sought by the jurisdictional Deputy Labour Commissioner or Commissioner of Labour, Karnataka.

Previously standing order exemptions were extended for a period of 2 years till August 2011. Thereafter, NASSCOM with support from Industry members was in close discussion with the Government for an extension and also development of a sector specific model standing order for the IT sector.

The Standing Orders Act requires employers in industrial establishments to define and publish uniform conditions of employment. As per the statute, an employer is required to draft standing orders, have them approved by the representatives of the employees and eventually certified by the labor department.

NASSCOM members were at the forefront in discussions with the Government and Industry and representations on this issue. We are indeed delighted that our request for an extension has been considered. We are grateful to the Government of Karnataka for being sensitive to the needs of the Industry.
GOVERNMENT OF KARNATAKA

No. LD 53 LET 2013

Karnataka Government Secretariat,
Vikasa Soudha,

NOTIFICATION

In exercise of the powers conferred under Section 14 of the Industrial Employment (Standing Orders) Act, 1946, the Government hereby exempts IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/ BPO/KPO/other knowledge based industries from the applicability of Industrial Employment (Standing Orders) Act, 1946 (Central Act of 1946), for a period of Five(5) years from the date of publication of this Notification in the Official Gazette.

The above IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/BPO/KPO/other knowledge based industries establishments are exempted from the application of various provisions of the Industrial Employment (Standing Orders) Act, 1946, subject to the following conditions;

I. Each IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/ BPO/KPO/other knowledge based industries establishment shall constitute Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

II. Each IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/ BPO/KPO/other knowledge based industries establishment shall constitute a Grievance Redressal Committee (GRC) consisting of equal number of persons representing employer and employees, to address any complaint / grievances of any of the employee. The GRC shall be empowered to handle all types of complaints / grievances of employee within a reasonable timeframe.

III. Each IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/ BPO/KPO/other knowledge based industries establishment shall intimate information about the cases of disciplinary action like suspension, discharge, termination, demotion, dismissal etc. of its employees to the Jurisdictional Deputy Labour Commissioner and Commissioner of Labour in Karnataka.
IV. Any information regarding service conditions of the employees of any IT/ITES/Startups/Animation/Gaming/Computer Graphics/ Telecom/BPO/KPO/other knowledge based industries establishment sought by the Jurisdictional Deputy Labour Commissioner or Commissioner of Labour in Karnataka shall be promptly and fully submitted by every employer within the reasonable timeframe fixed by the authority.

By order and in the name of the
Governor of Karnataka

(P.NAGARATHNAMMA)
Under Secretary to Government,
Labour Department

To,
The Compiler, Karnataka Gazette, Bangalore - with a request to publish the above Notification in the Extraordinary Gazette Dt. .01.2014 with a request to furnish 100 copies of the Notification to the Under Secretary to Government, Labour Department and 100 copies to the Commissioner of Labour in Karnataka, Karmika Bhavana, Bannerghatta Road, Bangalore.

Copy to:
1. The Secretary to Government of India, Ministry of Labour, Shramshakthi Bhavan, New Delhi-110001.
2. The Secretary to Government, Department of Law and Parliamentary Affairs, Vidhana Soudha, Bangalore.
3. The Secretary to Government, Information Technology/Biotechnology & Science, & Technology Department, M.S. Building, Bangalore.
4. Commissioner of Labour in Karnataka, Karmika Bhavana, Bannerghatta Road, Bangalore.
5. P.S. to Hon.Minister for Labour Department, Vidhana Soudha,
6. P.S. to Secretary to Government, Labour Department