

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:6188  
ANSWERED ON:14.05.2012  
PROTECTION AGAINST RETRENCHMENT  
Alagiri Shri S. ;Laguri Shri Yashbant Narayan Singh

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether Chapter V(a) & V(b) of the Industrial Disputes Act, 1947 provides for the protection against retrenchment/Layoff and closure;
- (b) if so, the details of the provision in this regard;
- (c) the details of cases regarding violation of the above provision registered during each of the last three years and the current year, State-wise;
- (d) whether the cases in this regard has been decided by the labour courts in favour of the workmen during the said period; and
- (e) if so, the details thereof alongwith the details of pending cases under the said act as on date, State-wise?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) & (b): Yes, Madam. Chapter VA of the Industrial Disputes Act, 1947 stipulates that before retrenchment of any workman who has been in continuous service for not less than one year under an employer, one month's notice in writing indicating the reasons for retrenchment is required to be served to the workman. Similarly, before closure of the establishment, an employer is required to give sixty days' notice to the appropriate Government.

Under Chapter VB, in case of industrial establishments employing 100 and more workers, retrenchment, closure and lay-off can be affected only with the prior permission of appropriate Government and three months' notice in writing indicating the reasons is required to be served by the employer to the workman who has been in continuous service for not less than one year.

The workman is also entitled for compensation in case of retrenchment, lay-off and closure as per provisions of Chapter VA and VB of the Industrial Disputes Act, 1947.

The Act also prescribes penalty against the employer in case of violation of the above mentioned provisions.

(c): No case of violation of the above provisions has been registered in the Central Sphere during this period.

(d) & (e): Does not arise.