

***The Industrial Disputes (Banking And Insurance Companies) Act,
1949
(54 OF 1949)***

13/623

[14th December, 1949]

An Act to provide for the adjudication of industrial disputes concerning certain banking and insurance companies.

Whereas it is expedient to provide for the adjudication of industrial disputes concerning banking and insurance companies having branches or other establishments in more than one State;

It is hereby enacted as follows:-

LEGISLATIVE HISTORY ▼

- Part B States (Laws) Act, 1951 (3 of 1951)
- Repealing and Amending Act, 1952 (48 of 1952)

1. Short title and extent .-(1) This Act may be called The Industrial Disputes (Banking and Insurance Companies) Act, 1949.

(2) It extends to the whole of India [except the State of Jammu and Kashmir.]

Object & Reasons ▼

Statement of Object and Reasons - "Prior to the promulgation on the 30th April, 1949 of the Industrial Disputes (Banking and Insurance Companies) Ordinance, disputes in banks and insurance companies were the responsibility of Provincial Governments. Provincial Governments were the 'appropriate authority' under Industrial Disputes Act, 1947. Besides this Central enactment, three Provinces, viz., Bombay, the United Provinces and the Central Provinces and Berar, have provincial labour relations enactments of their own under which also control over disputes in bank and insurance companies rested with the Provincial Governments. A bank with branches in several Provinces had, therefore, to deal with a number of Provincial Governments and a number of agencies including tribunals set up by them for the settlement of disputes arising in its establishments. It was only to be expected that under such an arrangement it would be difficult for an organisation with Country-wide establishments to maintain any principle of uniformity in the matter of wages, allowances and other terms and conditions of employment of its staff. While the question of undertaking the necessary legislation for removing this drawback was under consideration, a major dispute affecting the staff of a large number of banks in the United Provinces and having branches in various Provinces forced the issue and called for the intervention of the Central Government. There was every indication of similar disputes arising in other Provinces also. It was, therefore, considered urgently necessary for the Centre to

intervene. The Industrial Disputes (Banking and Insurance Companies) Ordinance, 1949, was accordingly promulgated on the 30th April, 1949. According to that Ordinance the responsibility for dealing with disputes in bank and insurance companies having branches in more than one Province passed over to the Central Government. As the Ordinance was to expire on the 30th October, 1949 it had to be replaced by a second Ordinance. It is now proposed to replace that Ordinance by an Act. The provisions contained in the Bill will eventually be included in the comprehensive legislation relating to the revision of Industrial Disputes Act, 1947 now under the consideration of the Government.

Gazette of India, 10-12-1949, Point.V, point. 392.

2. Definitions .-In this Act, unless there is anything repugnant in the subject or context, the expressions "award ", "banking company ", "industrial dispute "and "insurance company "have the meanings respectively assigned to them in section 2 of the Industrial Disputes Act, 1947 (14 of 1947), as amended by this Act.

3. Amendment of section 2 of Act 14 of 1947 .-[Repealed by the *Repealing and Amending Act, 1952 (48 of 1952), section 2 and Schedule I (w.e.f. 2-8-1952).*]

4. Prohibition of references by State Governments of certain industrial disputes for adjudication, inquiry or settlement .- Notwithstanding anything contained in any other law, it shall not be competent for a State Government or any officer or authority subordinate to such Government to refer an industrial dispute concerning any banking or insurance company, or any matter relating to such dispute, to any Tribunal or other authority for adjudication, inquiry or settlement.

5. Abatement of proceedings relating to disputes pending before State Tribunals and reference of such disputes to Tribunals constituted by the Central Government .-(1) Where under any law any industrial dispute concerning any banking or insurance company or any matter relating to such dispute has, before the 30th day of April, 1949, been referred by a State Government or any officer or authority subordinate to such Government to any Tribunal or other authority for adjudication or settlement and any proceedings in respect of or arising out of such reference were immediately before that date pending before any Tribunal or other authority, then on the aforesaid date such reference shall be deemed to have been withdrawn and all such proceedings shall have abated. (2) The Central Government shall, as soon as may be, after the commencement of this Act, by order in writing, refer under section 10 of the said Act every industrial dispute to which the provisions of sub-section (1) apply to an Industrial Tribunal constituted under the said Act for adjudication.

6. Powers of Central Government to refer disputes in respect of which awards or decisions have been made for re-adjudication .-(1) Where any award or decision has been made in respect of any industrial dispute concerning any banking or insurance company by any Tribunal or

other authority constituted or appointed by a State Government, or any officer or authority subordinate to such Government, then the Central Government may, notwithstanding that the said award or decision is in force, by order in writing refer under section 10 of the said Act, the dispute or any of the matters in dispute to an Industrial Tribunal constituted under the said Act for re-adjudication and stay the implementation of the award or decision so made or of any part of such award or decision until the Industrial Tribunal to which the dispute or any of the matters in dispute is referred for re-adjudication has submitted its award or for such further period as the Central Government may consider necessary.

(2) After the Industrial Tribunal to which the dispute or any of the matters in dispute has been so referred for re-adjudication has submitted its award under sub-section (1) of section 15 of the said Act, the Central Government may, by order in writing, declare that the award or decision previously made in respect of such dispute by the Tribunal or other authority constituted or appointed by the State Government or any officer or authority subordinate to such Government or such part of that award or decision as may be specified in the order shall cease to be in operation.

7. Repeal of Ordinance 28 of 1949 .-(1) The Industrial Disputes (Banking and Insurance Companies) Second Ordinance, 1949, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken in the exercise of any power conferred by or under the said Ordinance shall be deemed to have been done or taken in the exercise of the powers conferred by or under this Act, as if this Act were in force on the day on which such thing was done or action taken.