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InOpen raises Series a Funding from Banesse

InOpen Technologies, an Indian education company developed in Indian Institute of Technology, Bombay, has raised strategic investment from Benesse Holdings, a Japanese education giant, for a minority stake. The key objective of the collaboration between the two companies is to jointly develop products for the global education market. This investment has been made by Banesse from the Benesse Socials Investment Facility (BSIF). It is a facility established recently to invest in companies focused on solving social issues in emerging Asian countries and Japan. It is noteworthy that InOpen is the first investee of BSIF.

Honda expects India to Account for 20% of Sales in Asia-Oceania

Floated by the success of Amaze, Japanese auto giant Honda Motor Co. has predicted its Indian operations to account for 20 per cent of its total volume sales in the Asia-Oceania region in 2013. Honda Cars India Ltd (HCIL) Senior Vice-President marketing and Sales, Jnaneswar Sen, in an interview, talked about Honda’s aim to sell 6 lakh cars in the Asia-Oceania region in 2013-14, out of which, India is expected to account for about 20 per cent. By the end of 2016-2017, Honda is expending the contribution from India to increase to 25 per cent in the terms of volume.

Dedicated Freight Corridor gets Back on Track

After a delay of six-months, the western dedicated freight corridor, a project funded by Japan, is back on track with Japanese infrastructure giants Sojitz and Mitsui. Indian Railways was concerned that a no-bid or one-bid scenario would delay the implementation of the project by a year and a half. Regarding this, a delegation of Indian Railways had gone to Japan to convince the Japanese government to ask Sojitz & Mitsui to participate in the tender of the civil contract or relax Tokyo's loan condition which says the lead partner has to be from Japan.

Government of India to set up Gaming Institute with Japan

The government of India is exploring the possibility of taking help of Japan in starting the first animation and gaming institute of India. Information and Broadcasting Minister of India, Manish Tewari has said his government has received a proposal from the Japanese
Government to set up an esteemed gaming institute and the Government in India is still contemplating if they require to seek help from Japan only in developing the infrastructure or even content, as Indian government feels that Japan is technologically advanced in this field. Japan is already funding a large number of projects in India, such as the Metro and other urban development projects. The government has already acquired land in Mohali, Punjab, for setting up the institute, and is planning to lay the foundation stone in a few months. In the recent past, it has been observed that India is turning out to be a huge market for animation, gaming, and visual effects as numerous Hollywood filmmakers are looking to India for developing special effects in their movies.

**Ranbaxy Plans to Sell India-made Generic Medicines in Japan**

Ranbaxy laboratories, the global generic arm of Japan’s second-largest pharmaceutical company Daiichi Sankyo is planning to supply medicines to Japan from its Indian facilities. Ranbaxy is trying to get a grip in the Japanese market to enhance its consolidated revenues by reducing its cost. Daiichi Sankyo Espha Co Ltd will be the medium to introduce generic products in Japan. Recently, the government of Japan has launched a series of reforms in its regulatory regime, with the contention of expanding generic drug reach. Lupin, an Indian drug maker, already has a prominent presence in the Japanese pharmaceutical market. Lupin recognized its presence in Japan in 2007, by acquiring a majority stake in generic pharma company Kyowa Pharmaceutical. According to experts, with Daiichi Sankyo being an innovator company having significant presence in Japan, Ranbaxy has a fair chance of establishing itself in the market.

**Three Japanese Firms to set up Facilities in OneHub Chennai**

Three Japanese companies, Ajinomoto, Hitachi Automotive Systems and Takasago, have decided to set up their shops at the OneHub Chennai. OneHub Chennai was set up by Ascendas and a consortium comprising top Japanese corporate finance providers, Mizuho Corporate Bank and JGC Corporation. Among the companies, Ajinomoto will set up a packaging facility and office in India. It plans to develop new products from India in the future. Hitachi Automotive Systems plans to build a production facility for automotive components to complement its network of global manufacturing locations. The third company, Takasago, plans to set up a new manufacturing and research and development (R&D) facility. OneHub Chennai will put together industrial, business, commercial and residential facilities with lifestyle amenities and infrastructure to assist the growth of Japanese and international businesses in India.
Japan the Country in focus at International Film Festival of India, 2013

Twelve new Japanese films were screened at the upcoming 44th International Film Festival of India (IFFI), which is to be held in Goa, from November 20 to 30, as Japan was the ‘country in focus’. In addition, press conferences was held with directors and producers in attendance. Kiyoshi Kurosawa, director of Real; Sang-il Lee, director of Unforgiven; Keiichi Hara and Yoshitaka Ishizuka; director and producer respectively of Dawn of a Filmmaker: The Keisuke Kinoshita Story had been invited to attend the festival.

Second IJGPS to Reveal Roadmap for Trans-Asian Buddhist Circuit

India Japan global partnership summit (IJGPS), scheduled to be held at Indo Expo Mart in Greater Noida in Delhi-NCR between December 15 and 18, 2013. IJGPS will reveal the roadmap for the ambitious Trans-Asian Buddhist Circuit (TABC). Held under the guidance of the India Center Foundation (ICF), the four-day Summit will discuss and deliberate avenues for strategic partnership between India and Japan in different industries. The first IJGPS was held in Tokyo in 2011. In the second IJGPS, there will be breakout sessions to discuss issues like Infrastructure and Investment, tourist Exchange, Golf and a round table session on Promotion of Socio-Economic Tourism Infrastructure. The objective of the Summit is to create an institutional framework to strengthen partnership between India and Japan and aims to encourage development of infrastructure, tourism facilities and well-connected mass transportation system of all Buddhist nodes in India.

Japan Pledges $150 Million for Uttarakhand Flood Relief

At Asia-Europe meeting, Japan announced $150 million towards reconstruction efforts in Uttarakhand in view of the devastating floods that hit the state in June this year. The money is in addition to the $200,000 Japan had provided earlier through the International Federation of Red Cross and Red Crescent Societies to assist in the distribution of relief items and operations to help the flood victims. The government of Japan has also signed an exchange of notes for the Tamil Nadu investment Promotion Programme ($130 million) and the Campus Development Project of the Indian Institute of Technology, Hyderabad for $177.3 million. Through this noble programme, about 2,000 communities will be rebuilt and 30,000 people's income will be enhanced on sustainable basis. In a few months, JICA (Japan International Cooperation Agency) teams will arrive in India and start working on the detailed Plan together with the Uttarakhand government.
Japan, India Agree to Plans for Joint Maritime Drill by Year-End

Japanese Foreign Minister Fumio Kishida and his Indian counterpart Salman Khurshid have agreed to plans for co-operation between Japan's Maritime Self-Defense Force and the Indian Navy by the end of 2013. The drill, the second after one held in Japan in June 2012, is focused in part at checking China's growing readiness to declare its claims and interests in regional waters. The Japanese and Indian foreign ministers also reconfirmed plans to seek a civil nuclear cooperation deal with prominent focus on Japan exporting nuclear power plant equipment and technology to the electricity-deprived South Asian country. Japanese and Indian officials signed a loan agreement, denominated in yen, which is worth up to roughly 30.7 billion yen and the amount is to go toward the construction of facilities for the Indian Institute of Technology (IIT) Hyderabad and other infrastructure projects in southern India.

India Assures Japan to Enhance Port Infrastructure

India today assured Japan to increase its port infrastructure, particularly at Ennore and Chennai to facilitate import of automobile components and cars from Japan and at the same time has shown interest in seeking support for its port projects. Various Japanese companies have been showing a lot of interest in enhancing their use of the Ennore Port and Chennai ports. Ports in Ennore and Chennai are already catering to Japanese car exporters like Toyota and Nissan. Minister of Land, Infrastructure, Transport and Tourism, Japan, Akihiro Ohta, while admiring the existing amiable relationship between India and Japan, affirmed that Japan is willing to carry forward the momentum. He also talked about Japan’s interest in shipbuilding and recycling industries in India. Both the Ministers focused on the importance of a long-term understanding and cooperation in the maritime sector as part of the overall healthy bilateral relations between India and Japan.

Aeon Looks for Partners for Entry to Multi Brand Retail Sector of India

Japanese retail giant, Aeon Corporation, is planning to enter India in the multi-brand retail sector. The company is exploring potential partners to enter India. Aeon has already set up a small office in Mumbai to study the market and to finalize the plan regarding the investments and store formats. Though the company is yet to formally apply under the recently notified multi-brand FDI rules, the company officials have already had meetings regarding the proposed entry, with the agencies of Government of India. Presently, Aeon operates in India in partnership with Edelweiss, as a consumer finance company. The company in a recent statement said that India is there in every retailer's strategy, as it has base of a billion people and is a consuming and ever growing economy.
**Hitachi Looks to Expand Foothold in Indian IT Sector**

Japan’s engineering and electronics major Hitachi is looking to expand its IT business in India through partnerships. At present Hitachi have various projects in software design and certain IT service outsourcing from India but the company is contemplating its expansion plans. When asked how the company planned to go about it, Nakanishi said: "We would like to find a very good partnership in India. We have so many conversations.” Hitachi had started offshore software development outsourcing from 1997 and established Hitachi Data Systems India in 2002. It is looking to increase overall revenues in India.

**Japan’s Eisai to Launch Breast Cancer Drug in India**

As a part of its plans to expand its presence in India, Japan's pharma major, Eisai Pharma, is slated to launch its novel anti-cancer drug Eribulin, sold under the brand name of Halaven. Eisai will experiment with differential pricing within India, as cancer is considered as the biggest threat in India. The company has divided patient groups into different categories - the lower income group will get the drug for free, the middle income patients will be eligible for discounts on the full pricing, the rich patients will be asked to pay full price, followed by those who are covered under insurance schemes. Eisai officials in a statement said that access to medicine is very important, and the company wants to expand this to middle-income and low-income class. By doing so, the company wants to satisfy the people in India, and also wants to make the business model sustainable.

**Japanese and Indian Groups may Split 10% in Yamal LNG Plant**

Two groups of Japanese and Indian companies may obtain a combined stake of almost 10% in Russia's Yamal liquified natural gas (LNG) project, which would be benefited from the greater access to the Asian markets and thereby increase its sales. The companies involved are Japan’s Mitsui and Mitsubishi Corp, and an Indian group involving ONGC Videsh, Indian Oil Corp and Petronet LNG.

**Air Water Inc buys Majority Stake in Ellenbarrie Industrial Gases**

Air Water Inc, a Japanese industrial gas supplier, engaged in industrial, electronics, chemical, medical, and energy businesses, has acquired a 51% stake in Kolkata-based Ellenbarrie Industrial Gases Ltd for around R100 Cr. Air Water Inc. is looking for opportunities in India, in oxygen-related medical equipment, including piping and operation theatre gadgets.
Hitachi-Highly Group JV Opens Plant in Ahmedabad

Leading air-conditioner (AC) compressor manufacturer - Shanghai Hitachi, a JV between China-based Highly Group and Japanese firm Hitachi AP, custom-built India's largest air-conditioning compressor plant in Ahmedabad which has been set up at an investment of $72 million (Rs 450 core). The plant was inaugurated by Saurabh Patel, minister of energy & petrochemicals, government of Gujarat. The company’s officials said in a statement that India has become the most important overseas market for Highly. Shanghai Hitachi entered India market in 2003, and later in 2008. The unit in India is set up as company's Indian arm which is known as Highly Electrical Appliances India private ltd (Highly India). Highly has already established a technical service center in New Delhi to strengthen their market position.
RULES OF EMPLOYMENT

The applicability of employment legislation in India is determined by the industry sector, the class and number of employees, the location of business establishment and the notifications issued by the relevant government. An employer may nevertheless choose to formulate its work rules, company policies, employee handbooks, or similar documents into employee contracts of employment, though in doing so the employee consent is required and for this reason, many employers establish policies or handbooks that are expressed not to form part of the contract of employment, but with which employees are nevertheless required to comply. The Industrial Employment (Standing Orders) Act, 1946 (“Act”) governs the rules and conditions of the employment in industries covered under the Act.

Applicability of the Act:

The Act is applicable to all the industrial establishments¹ where 100 or more workers are/ were employed on any day during the preceding 12 months. However, the government under this Act has power to make the rules applicable to establishments employing less than 100 workers after giving not less than 2 month’s notice in the official gazette.² A reference can be made to the State of West Bengal wherein the Government made this Act applicable to industrial establishments where there were less than 100 employees on any day during the preceding 12 months.³ Similar situations arose in various other states as well.⁴ On the other hand the government may by following the same procedure also exempt, any industrial establishment or a class thereof, with or without conditions.⁵

¹ Note: Section 2(e) of the Act defines “Industrial Establishment” as (i) an industrial establishment as defined in clause (ii) of Section 2 of the Payment of Wages Act, 1936, or (ii) a factory as defined in clause (m) of Section 2 of the Factories Act, 1948, or (iii) a railway as defined in clause (4) of Section 2 of the Indian Railway Act, 1890, or (iv) the establishment of a person who, for the purpose of fulfilling a contract with the owner of any industrial establishment, employs workmen;
It is important to note that clause (ii) of Section 2 of the Payment of Wages Act, 1936 defines industrial or other establishment as “(a) tramway service, or motor transport service engaged in carrying passengers or goods or both by road for hire or reward; (aa) air transport service other than such service belonging to, or exclusively employed in the military, naval or air forces of the Union or the Civil Aviation Department of the Government of India; (b) dock, wharf or jetty; (c) inland vessel, mechanically propelled; (d) mine, quarry or oilfield; (e) plantation; (f) workshop or other establishment in which articles are produced, adapted or manufactured, with a view to their use, transport or sale; (g) establishment in which any work relating to the construction, development or maintenance of buildings, roads, bridges or canals, or relating to operations connected with navigation, irrigation or the supply of water, or relating to the generation, transmission and distribution of electricity or any other form of power is being carried on;] (h) any other establishment or class of establishments which the Central Government or a State Government may, having regard to the nature thereof, the need for protection of persons employed therein and other relevant circumstances, specify, by notification in the Official Gazette.
² Section 1(3) of the Act
⁴ Note: The government on the similar situations made this Act applicable on the following states as well:
   • In the State of Uttar Pradesh (UP) vide Notification No. 2828 (LL)/XVIII-450 (LL)-50 dated 15th November 1950 published in UP Gazette 18th November 1950.
   • In the state of Gujarat vide Notification No: Ind. Emp. 1960-H. dated 4th June 1962
   • In the state of Tamil Nadu vide Notification No: G.O.Ms No. 1375 dated 10th November 1978
⁵ Section 14 Power to exempt- The appropriate Government may by notification in the Official Gazette exempt, conditionally or unconditionally any industrial establishment or class of industrial establishments from all or any of the provisions of this Act.
Obligation to establish the Rules of Employment:

According to Section 3 of the Act, it is mandatory for the employer to submit 5 copies of the draft Standing Orders, within 6 months from the date on which this Act becomes applicable to his industrial establishment, along with a statement giving prescribed details of the workmen employed and the name of the trade union to which they belong if any, to the Certifying Officer.

It is pertinent to mention that the provisions of this Act are not applicable to the workmen who are governed by fundamental and supplementary rules that may be notified by the appropriate government. Similarly, for employers in India to whom the Standing Orders requirement does not apply, there is no legal requirement to establish work rules. It can be argued that the rules of employment are not common for every organization but the Act allows for a group of employers in similar industrial establishments to submit a joint draft of Standing Orders. The Act does not empower the employer to frame Standing Order for the transfer of its workmen from one place to another. It can be argued that once the Act becomes applicable to an establishment, it does not cease to apply on account of a subsequent fall in the number of workmen in the establishment.

Contents of Rules of Employment:

Section 3 (2) of the Act governs the contents of draft Standing Orders and requires that draft Standing Orders shall make provisions for every matter set out in the Schedule to the Act as may be applicable to the industrial establishment. The Schedule prescribes the that matters such as classification of workmen, periods and hours of work, holidays, leave, wage rate, shift working, time, reporting, termination, etc.

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6 Submission of draft standing orders.-

(1) Within six months from the date on which this Act becomes applicable to an industrial establishment, the employer shall submit to the Certifying Officer five copies of the draft standing orders proposed by him for adoption in his industrial establishment.

(2) Provision shall be made in such draft for every matter set out in the Schedule which may be applicable to the industrial establishment, and where model standing orders have been prescribed, shall be, so far as is practicable, in conformity with such model.

(3) The draft standing orders submitted under this section shall be accompanied by a statement giving prescribed particulars of the workmen employed in the industrial establishment including the name of the trade union, if any, to which they belong.

(4) Subject to such conditions as may be prescribed, a group of employers in similar industrial establishments may submit a joint draft of standing orders under this section.

7 “employer” means the owner of an industrial establishment to which this Act for the time being applies, and includes--

(i) in a factory, any person named under S[ clause (j) of sub- section (1) of section 7 of the Factories Act, 1948 (63 of 1948 ),] as manager of the factory;

(ii) in any industrial establishment under the control of any department of any Government in India, the authority appointed by such Government in this behalf, or where no authority is so appointed, the head of the department

(iii) in any other industrial establishment, any person responsible to the owner for the supervision and control of the industrial establishment;

8 “industrial establishment” means--

(i) an industrial establishment as defined in clause (ii) of section 2 of the Payment of Wages Act, 1936 (4 of 1936 ), or

(ii) a factory as defined in clause (m) of section 2 of the Factories Act, 1948 (63 of 1948 ), or

(iii) a railway as defined in clause (4) of section 2 of the Indian Railways Act, 1890 (9 of 1890 ), or

(iv) the establishment of a person who, for the purpose of fulfilling a contract with the owner of any industrial establishment, employs workmen.

9 Section 2(c) defines “Certifying Officer as a Labour Commissioner or a Regional Labour Commissioner, and includes any other officer appointed by the appropriate Government, by notification in the Official Gazette, to perform all or any of the functions of a Certifying Officer under this Act”

10 Section 3(4) of the Industrial Employment (Standing Orders) Act, 1946

11 See Air Gases Mazdoor Sangh v Indian Air Gases Ltd., 1977 Lab IC 575 (All)

12 Balakrishna Pillai vs. Anand Engineering Works (P) Ltd., 1974-II LLN 199 (Bom.HC)
suspension, medical, travel, transfers etc. to be provided in the Standing Orders as required under section 3(2) of the Act.¹³

Moreover, Industrial Employment (Standing Orders) Central Rules, 1946 provides Model Standing Orders that may be used while prescribing Standing Orders. However, where Model Standing Orders have been prescribed such employment rules shall be, so far as is practicable, in conformity with such model.¹⁴

**Procedure to Establish And Modify the Rules of Employment:**

It is mandatory for the employers to follow the prescribed procedure as discussed hereunder:

1. The employer or the workmen can make an application along with Form I as prescribed under Schedule II of the Act to the certifying officer for the modification of the Standing Orders in the same way as prescribed under section 3 of the Act. The Certifying Officer shall certify the draft Standing Orders only if they are submitted in accordance with the procedure.¹⁵

2. If the employer intends to modify the standing orders then such modification shall be proposed with a certified copy of the agreement between the employer and the workmen should be filed along with application for modification.¹⁶ Whereas the application made for modification can be

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¹³ Note: The Schedule of the Act, as amended from time to time, contains following matters:

1. Classification of workmen, e.g., whether permanent, temporary, apprentices, probationers, or badlis.
2. Manner of intimating to workmen periods and hours of work, holidays, pay-days and wage rates.
3. Shift working.
4. Attendance and late coming.
5. Conditions of, procedure in applying for, and the authority which may grant leave and holidays.
6. Requirement to enter premises by certain gates, a liability to search.
7. Closing and reporting of sections of the industrial establishment, temporary stoppages of work and the rights and liabilities of the employer and workmen arising there from.
8. Termination of employment, and the notice thereof to be given by employer and workmen.
9. Suspension or dismissal for misconduct, and acts or omissions which constitute misconduct.
10. Means of redress for workmen against unfair treatment or wrongful exactions by the employer or his agents or servants.
10A. Additional matters to be provided in Standing Orders relating to all industrial establishments in coal mines:

   (1) Medical aid in case of accident;
   (2) Railway travel facilities;
   (3) Method of filling vacancies;
   (4) Transfers;
   (5) Liability of manager of the establishment or mine;
   (6) Service certificate;
   (7) Exhibition and supply of standing orders.

10B. Additional matters to be provided in the standing orders relating to all industrial establishments,

   (1) Service Record-matters relating to service card, token tickets, certification of service, change of residential address of workers and record of age;
   (2) Confirmation;
   (3) Age of retirement;
   (4) Transfer;
   (5) Medical aid in case of accidents;
   (6) Medical examination;
   (7) Secrecy;
   (8) Exclusive service.

¹⁴ Section 3(2) of the Act.

¹⁵ Section 4 provides for the Conditions for certification of standing orders. Standing orders shall be certifiable under this Act if-- (a) provision is made therein for every matter set out in the Schedule which is applicable to the industrial establishment, and (b) the standing orders are otherwise in conformity with the provisions of this Act; and it [shall be the function] of the Certifying Officer or appellate authority to adjudicate upon the fairness or reasonableness of the provisions of any standing orders.

¹⁶ Section 10 of the Act; Duration and modification of standing orders and as referred in Report on the Working of the Industrial Employment (Standing Orders) Act, 1946 for the year 2009
repeated as well the order rejecting the modification shall not be appealable under section 6[17] of the Act. 18

3. It is mandatory for every employer to submit draft Standing Orders to the certifying officer as required under the Act and to comply with the procedure for modification if applicable, not abiding by the procedure or failing to submit the draft will constitute a punishable offence. 19

4. Once the Standing Orders are certified under this Act the Certifying Officer in a register shall maintain such order in a prescribed form.

5. It shall be the obligation of the employer to prominently post the standing order in the language understood by the majority of the employee. Or his workmen and all of his departments where the workmen are employed. 20

Hence it can be argued that even the employer itself cannot change the final certified Standing Orders for whatever reason, unless the prescribed procedure for their modification is followed. The same can be illustrated with reference to “Abu Mohd. V State of Bihar,” wherein the management was prosecuted under section 13(2)21 of the Act for striking off a certain clause from the certified Standing Orders. In this case the contention of the management that the clause was ultra vires to the Act was not accepted as the same had been already certified by virtue of acceptance by a) management b) certifying officer and c) the trade union/employees. 22

In support of the applicability of the Act in a case of “Eicher Goodearth Ltd v. R K Soni (1993”)23 it was held that if there is inconsistency between Standing orders and the terms and conditions of appointment letter, the provisions of the Standing Orders shall prevail upon the appointment letter. Furthermore the Standing Orders are binding on both, the employer and employee. These are statutorily imposed conditions of the service but they are not statutory provisions themselves which means that these Standing Orders are binding on both, the employer and employee. These are statutorily imposed conditions of the service but they are not statutory provisions themselves which means that these Standing

17 Appeals - section 6 (1) [Any employer, workman, trade union or other prescribed representatives of the workmen] aggrieved by the order of the Certifying Officer under sub- section (2) of section 5 may, within [thirty days] from the date on which copies are sent under sub- section (3) of that section, appeal to the appellate authority, and the appellate authority, whose decision shall be final, shall by order in writing confirm the standing orders either in the form certified by the Certifying Officer or after amending the said standing orders by making such modifications thereof or additions thereto as it thinks necessary to render the standing orders certifiable under this Act.

2 (2) The appellate authority shall, within seven days of its order under section (1), send copies thereof of the Certifying Officer, to the employer and to the trade union or other prescribed representatives of the workmen, accompanied, unless it has confirmed without amendment the standing orders as certified by the Certifying Officer, by copies of the standing orders as certified by it and authenticated in the prescribed manner.

18 See Indian Express Employees Union v. Indian Express (Madurai) Ltd., (1998) 1 Cur Lr 1161 (Ker).

19 Section 13 Penalties and procedure.-

1 (1) An employer who fails to follow draft standing orders as required by section 3, or who modifies his standing orders otherwise than in accordance with section 10, shall be punishable with fine which may extend to five thousand rupees, and in the case of a continuing offence with a further fine which may extend to two hundred rupees for every day after the first during which the offence continues.

2 (2) An employer who does any act in contravention of the standing orders finally certified under this Act for his industrial establishment shall be punishable with fine which may extend to one hundred rupees, and in the case of a continuing offence with a further fine which may extend to twenty-five rupees for every day after the first during which the offence continues.

3 (3) No prosecution for an offence punishable under this section shall be instituted except with the previous sanction of the appropriate Government.

4 (4) No Court inferior to that of a Metropolitan Magistrate or Judicial Magistrate of the second class shall try any offence under this section.

20 Section 9 provides for Posting of standing orders.- The text of the standing orders as finally certified under this Act shall be prominently posted by the employer in English and in the language understood by the majority of his workmen on special boards to be maintained for the purpose at or near the entrance through which the majority of the workmen enter the industrial establishment and in all departments thereof where the workmen are employed.

21 An employer who does any act in contravention of the standing orders finally certified under this Act for his industrial establishment shall be punishable with fine which may extend to one hundred rupees, and in the case of a continuing offence with a further fine which may extend to twenty-five rupees for every day after the first during which the offence continues.

22 See Abu Mohd. V State of Bihar, 1977 Lab IC 1390 (Pat.)

23 (1993) XXIV LLR 524
Orders even when approved do not become law.\textsuperscript{24} Therefore it can be said that this Act is pragmatic in defining the relationship between the employer and every employee working in the organization. This Act very comprehensively entails a clear delineation of rules pertaining to work hours, attendance, leave, holidays, wages, shifts, transfers, suspension, termination, dismissals, and acts of misconduct, retirement age and means of redressal against wrongful or unfair treatment.

**Voluntarily Accepted Rules of Employment:**

The Indian law in relation to human resources is a combination of Central and State laws that govern various aspects of human resources such as employment, compensation, harassment, safety at workplace, termination, probation, corrective action, policies, procedures, benefits administration and records maintenance. A large number of compliances are required to be regularly fulfilled by employers under these laws on a monthly, quarterly or annual basis as may be specified in a particular law.

It has already been stated above that The Industrial Employment (standing orders) Act, 1946, is only applicable to the organizations where there are 100 or more employees and not to the organizations where the number of employees is lesser. Therefore the employers on which the Act is not applicable can formulate their own work rules or company policies or handbook for their organizations and such polices or handbook shall be binding on both the employee and the employer. Such rules are usually collectively referred to as the Human Resource Policy ("HR Policy"). It can be said that the HR policy is a systems of codified decisions, established by an organization, to support administrative personnel functions, performance management, employee relations and resource planning. Each company has a different set of circumstances, and so develops an individual set of HR Policy.

The establishment of HR Policies can help an organization demonstrate, both internally and externally, that it meets requirements for diversity, ethics and training as well as its commitments in relation to regulation and corporate governance of its employees. For instance, in order to dismiss an employee in accordance with employment law requirements, it is necessary to meet the provisions within the employment contracts and the HR Policy. The establishment of an HR Policy sets out obligations, standards of behavior and document disciplinary procedures, is now the standard approach to meeting such obligations.

The HR Policy usually contains clauses by virtue of which the employees are expected to conduct themselves in a manner that contributes to effectiveness, productivity, safety and a harmonious work environment. It is the moral obligation of the employer to ensure that all the employees feel safe and comfortable in work environment. In this context it is pertinent to mention that the Supreme Court in its landmark judgment in "\textit{Vishakha v State of Rajasthan}\textsuperscript{25} has laid down guidelines for the prevention of sexual harassment against women at workplaces.

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act") a workplace also covers the places visited by employees during the course of employment or for reasons arising out of employment - including transportation provided by the

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\textsuperscript{24} See Rajasthan SRTC v Krishna Kant AIR 1995 SC 1715
\textsuperscript{25} AIR 1997 SC 3011
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employer for the purpose of commuting to and from the place of employment\textsuperscript{26} The Act prescribe various measures to be taken by the employers like a properly placed complaints procedure and appropriate disciplinary action against the guilty.\textsuperscript{27} It is mandatory for every employer, with more than 10 employees, to constitute an ‘Internal Complaints Committee’ at the workplace and where the offices or administrative units of workplace are located at different places, he will, constitute a committee in all such offices and administrative units.\textsuperscript{28}

Another important constituent of the HR Policy can be the disciplinary action which can sometimes create a hindrance for the employer as he has to follow all the disciplinary steps mentioned in the clause before terminating an employee. Therefore, the employers should make sure their policies are not loosely drafted and enable them to take \textit{just and fair} decision in all types of situations.

\textbf{Conclusion:}

Therefore it can be concluded that every employer whether governed by the Industrial Standing orders or not ought to frame their own rules which govern and bind their organization. The rules framed by the organization should not be unreasonable or arbitrary. The employers must keep in mind that the requirement to frame their own bye-laws is not to give them an unnecessary upper hand with respect of the employees but is indeed to establish a clear employer-employee relationship.

\textbf{DISCLAIMER:}

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\textsuperscript{26} Section 2(o) of the Sexual Harassment Act
\textsuperscript{27} Chapter 2 Section 4 of the Sexual Harassment Act
\textsuperscript{28} Chapter 3 Section 6 (1) of the Sexual Harassment Act
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