

Finin2min

[Labour Publication Series](#)

Labour & Manpower Law Publication Series

Chapter X - Special threshold establishments

Industrial Relations Code, 2020 | Detailed statutory, Rule, compliance, remedy and evidence guide.

Review date: 2026-07-18 Authors: CA Nikhil Gupta & Kajri Singh Sections: 77-82 Central Rules mapped: 7 Local source-hashed Act text + linked Rules and implementation analysis

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Industrial Relations Code, 2020 Special threshold establishments four-step compliance flowchart

Finin2min decision flow — identify the law, complete the statutory process and preserve evidence.

Publication-source status: Every mapped section of the parent Code is embedded locally from the retained official India Code PDF and carries the source SHA-256. Linked 2026 Central Rules, forms, notifications and operational analysis remain subject to the official Gazette and subsequent amendments.

Chapter decision flow

Classify establishment & person → Fix event date → Apply section and Rule → Complete form/record → Retain evidence & remedy file

Finin2min Summary - Chapter in 2 Minutes

This chapter turns special threshold establishments into an operational control file. It covers Application of this Chapter, Prohibition of lay-off, Conditions precedent to retrenchment of workers to which Chapter X applies, Procedure for closing down an industrial establishment; the practical sequence is to classify coverage and event date, apply the provision and mapped Rule, complete the

Chapter X - Special threshold establishments

FININ2MIN LEGAL FLOW

Industrial Relations Code, 2020 — Special threshold establishments



Law → trigger → procedure → evidence. Confirm the operative Central/State instrument on the event date.

Use this flow with the chapter provision map, implementation controls, evidence checklist, limitation/forum review and remedy framework. Confirm the operative Central and State instruments on the event date.

Chapter X - Special threshold establishments

Finin2min implementation explanation

Maintain a controlled implementation file for Chapter X - Special threshold establishments: coverage and event date, operative Central/State instrument, responsible owner, approval and authority, form/portal step, due date, calculation basis, supporting evidence, exception, escalation and closure proof. Reconcile payroll, HR, finance, contractor and legal records before sign-off.

Practical example

Classify the worker and establishment, identify the operative provision and notified instrument on the event date, compute the entitlement or exposure from source records, obtain approval, complete the filing/payment/action, and retain evidence. Do not use a portal value or payroll label as a substitute for the statutory test.

Calculation / control template

Control calculation: verified population or transaction base $\times$ applicable notified rate/amount $\times$ eligible period, adjusted for statutory inclusions, exclusions, ceilings, interest, compensation and prior payments. Reperform the calculation from retained source data.

Current-law control: verify the operative Central/State instrument, notification, form, portal and binding judgment on the event date. Numerical amounts in examples are illustrative unless expressly sourced.

form/register, calculate the entitlement or exposure, and retain evidence for inspection, claim or appeal.

Who is covered

Employers, workers, trade unions, negotiating bodies, standing-order establishments and dispute-resolution authorities should classify the industrial establishment and worker population first.

Main obligations and rights

- Section 77: Application of this Chapter
- Section 78: Prohibition of lay-off
- Section 79: Conditions precedent to retrenchment of workers to which Chapter X applies
- Section 80: Procedure for closing down an industrial establishment
- Section 81: Duty of an employer to maintain muster rolls of workers
- Section 82: Certain provisions of Chapter IX to apply to industrial establishment to which this

Key thresholds and timelines

- Use only the threshold, rate and limitation period effective on the event date; verify the Central/State instrument before acting.

Forms, registers and evidence

- Applicable form/register, calculation file, approval and acknowledgement evidence
- Retain classification, calculation, approval, communication, acknowledgement and payment/filing proof.

Employer risk snapshot

Highest practical risks: misclassification, missed filing/notice, unsupported calculation, incomplete records and use of the wrong Central/State instrument.

Employee/worker remedy snapshot

Core protection: the substantive protection in this chapter, access to the prescribed authority/forum and a documented remedy within limitation. Confirm the authority, limitation and appeal route stated in this chapter.

Old law / transition

Map the event date and savings position against: Trade Unions Act, 1926; Industrial Employment (Standing Orders) Act, 1946; Industrial Disputes Act, 1947.

Five-point professional checklist

1. Freeze the event date, establishment, location and person/worker classification.
2. Identify the controlling section/paragraph, mapped Rule, notification and appropriate Government.
3. Reperform the calculation or decision test and document every exception or approval.
4. Complete the prescribed form/register/portal step and retain acknowledgement, payment and communication evidence.
5. Record the remedy, forum, limitation, appeal path and State variation before sign-off.

Finin2min takeaway: for special threshold establishments, the defensible answer is not a policy label - it is the event-date law, the mapped procedure, the calculation and a complete evidence trail.

[Download one-page Finin2min cheat sheet](#)

Section-by-section provision map

Provision Subject	Implementation focus
Section 77 Application of this Chapter	Trigger, linked Rule/form, evidence, consequence and remedy
Section 78 Prohibition of lay-off	Trigger, linked Rule/form, evidence, consequence and remedy
Section 79 Conditions precedent to retrenchment of workers to which Chapter X applies	Trigger, linked Rule/form, evidence, consequence and remedy
Section 80 Procedure for closing down an industrial establishment	Trigger, linked Rule/form, evidence, consequence and remedy
Section 81 Duty of an employer to maintain muster rolls of workers	Trigger, linked Rule/form, evidence, consequence and remedy
Section 82	

Provision Subject

Certain provisions of Chapter IX to apply to industrial establishment to which this

Implementation focus

Trigger, linked Rule/form, evidence, consequence and remedy

Section 77: Application of this Chapter

Current statutory text

77. Application of this Chapter.—(1) The provisions of this Chapter shall apply to industrial establishment (not being an establishment of a seasonal character or in which the work is performed intermittently) in which not less than three hundred workers, or such higher number as may be notified by the appropriate Government, were employed on an average per working day in the preceding twelve months.

(2) If a question arises whether an industrial establishment is of a seasonal character or in which the work is performed therein only intermittently, the decision of the appropriate Government shall be final.

(3) For the purposes of this Chapter, “industrial establishment” means—

(i) a factory as defined in clause (m) of section 2 of the Factories Act, 1947;

(ii) a mine as defined in clause (j) of sub-section (1) of section 3 of the Mines Act, 1952 (35 of 1952); or

(iii) a plantation as defined in clause (f) of section 2 of the Plantations Act, 1951 (69 of 1951).

Finin2min clause-by-clause decode

1. Test 1
2. Chapter X applies to specified industrial establishments with at least three hundred workers on average per working day in the preceding twelve months, or another notified threshold.
3. Implementation control
4. Trigger
5. Document the fact pattern that activates section 77: application of this chapter.
6. Coverage and jurisdiction
7. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
8. Decision owner
9. Assign HR/ER, legal, payroll/finance and authorised signatory roles; no action should depend on an undocumented oral decision.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: [section 77](#).

Section 78: Prohibition of lay-off

Current statutory text

78. Prohibition of lay-off.—(1) No worker (other than a badli worker or a name is borne on the muster rolls of an industrial establishment to which laid-off by his employer except with the prior permission of the appropriate authority on an application made in this behalf, unless such lay-off is due to shortage of work in the case of a mine, such lay-off is due to fire, flood, excess of infla

(2) An application for permission under sub-section (1) shall be made or otherwise in the prescribed manner stating clearly the reasons for the such application shall also be served simultaneously on the workers concerned in the manner prescribed.

(3) Where the workers (other than badli workers or casual workers) of a mine, have been laid-off under sub-section (1) for reasons of fire, gas or explosion, the employer, in relation to such establishment, shall, from the date of commencement of such lay-off, apply, in such manner as may be approved by the appropriate Government for permission to continue the lay-off.

(4) Where an application for permission under sub-section (1) or sub-section (3) is made, the appropriate Government, after making such enquiry as it thinks fit and affording an opportunity of being heard to the employer, the workers concerned and the appropriate Government, may, having regard to the genuineness and adequacy of the reasons for the lay-off and all other relevant factors, by order and for reasons to be recorded in writing, grant or refuse to grant such permission and a copy of such order shall be communicated to the employer and the workers.

(5) Where an application for permission under sub-section (1) or sub-section (3) is made, and the appropriate Government does not communicate the order granting or refusing permission to the employer within a period of sixty days from the date on which such application was made, the permission applied for shall be deemed to have been granted as applied for and the application shall be deemed to have been disposed of within the period of sixty days and the application shall be deemed to have been disposed of by the appropriate Government.

(6) An order of the appropriate Government granting or refusing to grant permission under sub-section (1) or sub-section (3), shall be final and binding on all the parties concerned and shall remain in force for one year from the date of such order.

(7) The appropriate Government may, either on its own motion or on the application of the employer or any worker, review its order granting or refusing to grant permission under sub-section (1) or sub-section (3) within the prescribed time from the date on which such order is made or refused and may, if it is so satisfied, cause it to be referred, to a Tribunal for adjudication:

Provided that where a reference has been made to a Tribunal under this section, the order shall remain in force until the Tribunal awards within a period of thirty days from the date of such reference.

(8) Where no application for permission under sub-section (1) is made, and no application for permission under sub-section (3) is made within the period specified therein, for any lay-off has been refused, such lay-off shall be deemed to be illegal and the workers had been laid-off and the workers shall be entitled to all the benefits which they would have been entitled to being in force as if they had not been laid-off.

(9) Notwithstanding anything contained in the foregoing provisions of this section, the appropriate Government may, if it is satisfied that owing to such exceptional circumstances as the death of the employer or the like, it is necessary so to do, exempt any establishment or establishments from the provisions of sub-section (1), or, as the case may be, sub-section (3) shall apply to such establishment for such period as may be specified in the order.

(10) The provisions of section 67 (other than the second proviso thereof) shall apply to the lay-off referred to in this section.

Explanation.—For the purposes of this section, a worker shall not be deemed to be laid-off if such employer offers any alternative employment (which in the circumstances does not call for any special skill or previous experience and can be done in the same establishment from which he has been laid-off or in any other establishment).

employer, situate in the same town or village, or situate within such district which he belongs that the transfer will not involve undue hardship to the facts and circumstances of his case, subject to the condition that the wages been paid to the worker are offered for the alternative appointment also.

Finin2min clause-by-clause decode

1. Test 1
2. Chapter X establishments generally need prior permission for lay-off, except the statutory shortage/natural calamity and mine exceptions; application, hearing and deemed-permission rules apply.
3. Implementation control
4. Trigger
5. Document the fact pattern that activates section 78: prohibition of lay-off.
6. Coverage and jurisdiction
7. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
8. Decision owner
9. Assign HR/ER, legal, payroll/finance and authorised signatory roles; no action should depend on an undocumented oral decision.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 30: Rule 30 — Application for intended lay-off and manner of serving copy of such application to workers

extracted from the official English notification 30. Application for intended lay-off and manner of serving copy of such application to workers.– (1) An application shall be made by the employer in Form-XIV to the Central Government seeking permission for lay-off of a worker stating clearly therein the reasons for the intended lay-off and a copy of such application shall be served simultaneously to the worker concerned, electronically or in person or by speed post. (2) The application referred to in sub-rule (1) shall also be displayed conspicuously by the employer on the notice board or on electronic board at the main entrance of the industrial establishment. Code concordance Primary operative section Section 78 Prohibition of lay-off Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create

invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Central Rule 31: Rule 31 — Application to continue lay-off

extracted from the official English notification 31. Application to continue lay-off.– The employer shall, in case of an industrial establishment being a mine, where the workers other than badli workers or casual workers have been laid-off for reasons of fire, flood or excess of inflammable gas or explosion, within a period of thirty days from the date of commencement of such lay-off, make an application in Form-XIV to the Central Government electronically and by speed post with a copy to the concerned Deputy Chief Labour Commissioner (Central) for permission to continue the lay-off– (a) specifying the number of days; (b) specifying the number of workers to be laid off; (c) the total number of workers employed in the industrial establishment; (d) the date of lay-off; and (e) the reasons for continuation of such lay-off. Code concordance Primary operative section Section 78 Prohibition of lay-off Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/ employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Central Rule 32: Rule 32 — Review of order

extracted from the official English notification 32. Review of order.– (1) The Central Government may, either on its own motion or on an application made by the employer or any worker, review its order granting or refusing to grant permission for the lay-off. (2) The employer or any worker concerned, along with the order referred to in sub-rule (1), may make an application within thirty days from the date on which the order is made to the Central Government for reviewing the order and that Government shall, within two months from the date on which the application is made, dispose of the same after providing the concerned parties, an opportunity of being heard. (3) Where the Central Government decides to review the order referred to in sub-rule (1) on its own motion, it may take necessary steps within one month from the date on which the order is made and after providing the concerned parties an opportunity of being heard, dispose of such review within a period of two months from the date on which such decision is taken. Code concordance Primary operative section Section 78 Prohibition of lay-off Forms and records No form heading is directly assigned

to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Practical example

Before changing employment status, the employer maps headcount, worker category, service, notice, permission, compensation and re-employment obligations. The decision is held until the legal, HR and finance evidence files reconcile.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 30, Rule 31, Rule 32 | Official source: [section 78](#).

Section 79: Conditions precedent to retrenchment of workers to which Chapter X applies

Current statutory text

79. Conditions precedent to retrenchment of workers to which Chapter X applies
worker employed in any industrial establishment to which this Chapter applies
continuous service for not less than one year under an employer shall be
until,—

(a) the worker has been given three month's notice in writing indicating retrenchment and the period of notice has expired, or the worker has been paid wages for the period of the notice; and

(b) the prior permission of the appropriate Government has been obtained in this behalf.

(2) An application for permission under sub-section (1) shall be made by the employer or otherwise in the prescribed manner stating clearly the reasons for the retrenchment. A copy of such application shall also be served simultaneously on the worker concerned as may be prescribed.

(3) Where an application for permission under sub-section (1) has been made to the appropriate Government, after making such enquiry as it thinks fit and after giving a hearing to the employer, the workers concerned and the persons interested, the Government may, having regard to the genuineness and adequacy of the reasons stated by the employer and all other relevant factors, by order grant or refuse to grant such permission and a copy of such order shall be communicated to the workers.

(4) Where an application for permission has been made under sub-section (1) and the appropriate Government does not communicate the order granting or refusing to grant permission within a period of sixty days from the date on which such application is made, the permission for shall be deemed to have been granted on the expiration of the said period. If the application shall be deemed to have been disposed of accordingly by the appropriate Government.

(5) An order of the appropriate Government granting or refusing to grant permission under sub-section (1) shall, to the provisions of sub-section (6), be final and binding on all the parties concerned and shall be in force for one year from the date of such order.

(6) The appropriate Government may, either on its own motion or on the application of the employer or any worker, review its order granting or refusing to grant permission within the prescribed time from the date on which such order is made or refused and may, if it is satisfied that it may be, cause it to be referred to a Tribunal for adjudication:

Provided that where a reference has been made to a Tribunal under this section, the permission shall be in force until the Tribunal has made its award within a period of thirty days from the date of such reference.

(7) Where no application for permission under sub-section (1) is made, and any retrenchment has been refused, such retrenchment shall be deemed to be valid and the worker shall be entitled to the benefits under any law for the time being in force as if no notice had been given.

(8) Notwithstanding anything contained in the foregoing provisions of this section, the appropriate Government may, if it is satisfied that owing to such exceptional circumstances as the death of the employer or the like, it is necessary so to do, that the provisions of sub-section (1) shall not apply in relation to such establishment specified in the order.

(9) Where permission for retrenchment has been granted under sub-section (1) and the permission for retrenchment is deemed to be granted under sub-section (4), every worker employed in the establishment immediately before the date of application for permission under sub-section (1) shall be deemed to have been employed in the establishment

entitled to receive, at the time of retrenchment, compensation which shall be equal to the average pay, or average pay of such days as may be notified by the appropriate authority, for the completed year of continuous service or any part thereof, in excess of six months.

Finin2min clause-by-clause decode

1. Test 1
2. Retrenchment under Chapter X requires three months' notice or pay and prior Government permission through the prescribed application.
3. Test 2
4. Permission is judged on genuineness, adequacy of reasons, worker interests and other relevant factors; no decision within the statutory period may trigger deemed permission.
5. Implementation control
6. Trigger
7. Document the fact pattern that activates section 79: conditions precedent to retrenchment of workers to which chapter x applies.
8. Coverage and jurisdiction
9. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
10. Decision owner

Applicable Central Rules immediately below the provision

Central Rule 33: Rule 33 — Application for intended retrenchment and manner of serving copy of such application to workers

extracted from the official English notification 33. Application for intended retrenchment and manner of serving copy of such application to workers.– (1) An application shall be made in Form- XIV by the employer to the Central Government electronically, stating clearly the reasons for the intended retrenchment therein and a copy of such application shall be sent to the concerned workers electronically, or in person, or by speed post. (2) The application referred to in sub-rule (1) shall also be displayed conspicuously by the employer on a notice board or on electronic board at the main entrance to the industrial establishment. Code concordance Primary operative section Section 79 Conditions precedent to retrenchment of workers to which Chapter X applies Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The

underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Central Rule 34: Rule 34 — Review of order

extracted from the official English notification 34. Review of order.– (1) The Central Government may, either on its own motion or on an application made by the employer or any worker, review its order granting or refusing to grant permission for the retrenchment. (2) The employer or any worker concerned, along with the order referred to in sub-rule (1), may make an application within thirty days from the date on which such order is made, to the Central Government for reviewing that order and that Government shall within a period of two months from the date on which such application is made, dispose of the application after providing the concerned parties an opportunity of being heard. (3) Where the Central Government decides to review the order referred to in sub-rule (1), on its own motion, it may take necessary steps within one month from the date on which such order is made and after providing the concerned parties an opportunity of being heard, dispose of such review within a period of two months from the date on which such decision is taken. Code concordance Primary operative section Section 79 Conditions precedent to retrenchment of workers to which Chapter X applies Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Practical example

Before changing employment status, the employer maps headcount, worker category, service, notice, permission, compensation and re-employment obligations. The decision is held until the legal, HR and finance evidence files reconcile.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.

- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 33, Rule 34 | Official source: [section 79](#).

Section 80: Procedure for closing down an industrial establishment

Current statutory text

80. Procedure for closing down an industrial establishment.—(1) An employee close down an undertaking of an industrial establishment to which this Ch electronically or otherwise, apply in such manner as may be prescribed, fo ninety days before the date on which the intended closure is to become eff Government, stating clearly the reasons for the intended closure of the un application shall also be served simultaneously on the representatives of may be prescribed:

Provided that nothing in this sub-section shall apply to an undertaking buildings, bridges, roads, canals, dams or for other construction work.

(2) Where an application for permission has been made under sub-section Government, after making such enquiry as it thinks fit and after giving a being heard to the employer, the workers and the persons interested in suc to the genuineness and adequacy of the reasons stated by the employer, the public and all other relevant factors, by order and for reasons to be reco to grant such permission and a copy of such order shall be communicated to workers.

(3) Where an application has been made under sub-section (1) and the ap not communicate the order granting or refusing to grant permission to the sixty days from the date on which such application is made, the permission to have been granted as applied for on the expiration of the said period o shall be deemed to have been disposed of accordingly by the appropriate Go

(4) An order of the appropriate Government granting or refusing to gra to the provisions of sub-section (5), be final and binding on all the part one year from the date of such order.

(5) The appropriate Government may, either on its own motion or on the employer or any worker, review its order granting or refusing to grant per

within the prescribed time from the date on which such order is made or referred for adjudication:

Provided that where a reference has been made to a Tribunal under this award within a period of thirty days from the date of such reference.

(6) Where no application for permission under sub-section (1) is made therein, or where the permission for closure has been refused, the closure is deemed to be illegal from the date of closure and the workers shall be entitled to any law for the time being in force as if the undertaking had not been closed.

(7) Notwithstanding anything contained in the foregoing provisions of this award, the Government may, if it is satisfied that owing to such exceptional circumstances, the closure of the undertaking or death of the employer or the like it is necessary so to do, the provisions of sub-section (1) shall not apply in relation to such undertaking specified in the order.

(8) Where an undertaking is permitted to be closed down under sub-section (1), for closure is deemed to be granted under sub-section (3), every worker who was employed in the undertaking immediately before the date of application for permission under sub-section (1) shall be entitled to receive compensation which shall be equivalent to fifteen days' wages of such days as may be notified by the appropriate Government, for every day of service or any part thereof in excess of six months.

Finin2min clause-by-clause decode

1. Test 1
2. Closure of a Chapter X establishment requires an application for prior permission at least ninety days before intended closure, subject to the Code's process and exceptions.
3. Implementation control
4. Trigger
5. Document the fact pattern that activates section 80: procedure for closing down an industrial establishment.
6. Coverage and jurisdiction
7. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
8. Decision owner
9. Assign HR/ER, legal, payroll/finance and authorised signatory roles; no action should depend on an undocumented oral decision.
10. Evidence pack

Applicable Central Rules immediately below the provision

Central Rule 35: Rule 35 — Application for intended closing of industrial establishment and manner of serving copy of application to representatives of workers

extracted from the official English notification 35. Application for intended closing of industrial establishment and manner of serving copy of application to representatives of workers.– An employer who intends to close down an industrial establishment, to which the provisions of Chapter X of the Code apply, shall apply in Form XIV to the Central Government electronically for prior permission, at least ninety days before the date on which the intended closure is to become effective, stating clearly therein the reasons for such intended closure of the industrial establishment and simultaneously a copy of such application shall also be sent to the representatives of the workers electronically and in person, or by speed post. Code concordance Primary operative section Section 80 Procedure for closing down an industrial establishment Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Central Rule 36: Rule 36 — Review of order

extracted from the official English notification 36. Review of order.– (1) The Central Government may, either on its own motion or on an application made by the employer or any worker, review its order granting or refusing to grant permission for the closing down of an industrial establishment. (2) The employer or any worker concerned may make an application along with the order referred to in sub-rule (1), within thirty days from the date on which such order is made, to the Central Government for reviewing that order and that Government shall, within two months from the date on which such application is made, dispose of that application after providing the concerned parties an opportunity of being heard. (3) Where the Central Government decides to review the order referred to in sub-rule (1) on its own motion, it may take necessary steps within one month from the date on which the order is made, and after providing the concerned parties an opportunity of being heard, dispose of such review within a period of two months from the date on which such decision is taken. CHAPTER XI WORKER RE-SKILLING FUND Code concordance Primary operative section Section 80

Procedure for closing down an industrial establishment Forms and records No form heading is directly assigned to this rule. Keep the application, notice, order, electronic acknowledgment and register required by the text. Implementation owner HR/employee relations with legal review and the authorised signatory specified by the rule. System control Create a workflow that blocks completion until every mandatory field, attachment, service method and timeline is satisfied. Evidence Preserve the exact filed form, annexures, electronic receipt, delivery proof, hearing material and final order. Failure consequence The underlying Code section may create invalidity, compensation, appeal, recovery, unfair-practice or penalty exposure. ← Previous Next →

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 35, Rule 36 | Official source: [section 80](#).

Section 81: Duty of an employer to maintain muster rolls of workers

Current statutory text

81. Duty of an employer to maintain muster rolls of workers.—Notwithstanding any industrial establishment have been laid-off, it shall be the duty of the employer to maintain, for the purposes of this Chapter a muster roll, and to provide for the making

who may present themselves for work at the establishment at the appointed hours.

Finin2min clause-by-clause decode

1. Test 1
2. Covered establishments must maintain muster rolls even when prior-permission provisions are engaged.
3. Implementation control
4. Trigger
5. Document the fact pattern that activates section 81: duty of an employer to maintain muster rolls of workers.
6. Coverage and jurisdiction
7. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
8. Decision owner
9. Assign HR/ER, legal, payroll/finance and authorised signatory roles; no action should depend on an undocumented oral decision.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/

officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: [section 81](#).

Section 82: Certain provisions of Chapter IX to apply to industrial establishment to which this

Current statutory text

82. Certain provisions of Chapter IX to apply to industrial establishment applies.—The provisions of sections 66, 71, 72, 73 and section 76 in Chapter IX, apply also in relation to an industrial establishment to which the provisions of Chapter IX apply.

CHAPTER XI

WORKER RE-SKILLING FUND

Finin2min clause-by-clause decode

1. Test 1
2. Specified Chapter IX provisions apply to Chapter X establishments, avoiding duplication of compensation and re-employment rules.
3. Implementation control
4. Trigger
5. Document the fact pattern that activates section 82: certain provisions of chapter ix to apply to industrial establishment to which this.
6. Coverage and jurisdiction
7. Record worker/employee status, establishment, appropriate Government, threshold and territorial authority.
8. Decision owner
9. Assign HR/ER, legal, payroll/finance and authorised signatory roles; no action should depend on an undocumented oral decision.
10. Evidence pack

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the

decision owner and retains the documents needed to prove compliance during inspection or litigation.

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Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: [section 82](#).

Rules, forms, registers, portals and due dates

Rule Subject	Text/control status
30 Rule 30 — Application for intended lay-off and manner of serving copy of such application to workers	Exact Gazette extract embedded
31 Rule 31 — Application to continue lay-off	Exact Gazette extract embedded
32 Rule 32 — Review of order	Exact Gazette extract embedded
33 Rule 33 — Application for intended retrenchment and manner of serving copy of such application to workers	Exact Gazette extract embedded
34 Rule 34 — Review of order	Exact Gazette extract embedded
35	

Rule Subject	Text/control status
Rule 35 — Application for intended closing of industrial establishment and manner of serving copy of application to representatives of workers	Exact Gazette extract embedded
36 Rule 36 — Review of order	Exact Gazette extract embedded

Forms and registers must be confirmed from the appended 2026 Central Rules and the live portal applicable to the appropriate Government. A form is not treated as current merely because an earlier law used the same number.

Notifications and effective-date history

Control	Required action
Enactment	Record Act number, assent and Gazette publication. Use the provision-specific commencement notification; the four
Commencement	Codes became broadly operative from 21 November 2025 subject to earlier partial commencement and corrigenda.
Central Rules	Read the applicable 2026 Central Rules from their Gazette date and verify subsequent amendments.
State instrument	Check final State Rules, authority notifications, forms and rates where the State is appropriate Government.

Old-law/new-Code concordance

Predecessor law	Transition control
Trade Unions Act, 1926	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Industrial Employment (Standing Orders) Act, 1946	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.
Industrial Disputes Act, 1947	Classify the event date, accrued right, saved Rule/ notification and pending proceeding before moving to the Code.

Practical calculations and control file

Calculation sequence

1. Freeze the employee/worker population and event date.
2. Apply the statutory wage/benefit base and notified threshold.
3. Reconcile attendance, service, payroll and contractor records.
4. Calculate principal amount, interest/damages and any statutory compensation separately.
5. Obtain legal/payroll approval and retain the versioned worksheet.

Three-owner sign-off

- **Employer/HR:** facts, classification, communication and workflow.
- **Employee/worker:** notice, records, nomination/claim and acknowledgement.
- **Professional:** source, formula, forum, limitation and evidence reconciliation.

Binding and highly relevant case-law principles

Older cases are included for principles only. Their continued application must be tested against the current Code wording, repeal-and-savings clause and later judgments.

Decision	Principle and present-use caution
Bangalore Water Supply v. A. Rajappa	The industry test remains an important interpretive starting point, subject to the Code definition and later statutory developments.
Workmen of Firestone Tyre v. Management	Domestic enquiry fairness and the adjudicatory power to examine dismissal remain central principles, subject to the Code and certified standing orders.
Bharat Bank Ltd. v. Employees	Industrial adjudication is specialised statutory adjudication; forum, reference and award provisions must be followed.
Karnal Leather Karamchari Sanghatan v. Liberty Footwear	Settlement and collective-bargaining outcomes require genuine authority, representativeness and statutory compliance.

State-law variation alerts

- Confirm whether the Central or State Government is the appropriate Government.

- Central Rules do not automatically displace valid State Rules, rates, registers, authorities or portal procedures.
- Minimum-wage rates, holidays, working-hours permissions, licences and local welfare obligations require State-specific verification.
- Record Gazette number, effective date and supersession status in the location compliance register.

Practical transaction application

Apply the chapter to workforce restructuring, standing orders, union recognition, disciplinary action, settlement drafting, transfer of undertaking, lay-off, retrenchment, closure and industrial-dispute strategy. Build the transaction timeline before notices or board approvals are issued.

Authority, consent and execution controls

Map powers among the board, occupier/employer, HR, disciplinary authority, authorised signatory and legal team. Verify delegation, standing orders, service rules, union/negotiating-council status and government permission or notice requirements; informal consent cannot cure a mandatory statutory step.

Stamp duty and registration alerts

Industrial settlements, service instruments and transfer documents may attract State stamp consequences depending on form and subject matter. Statutory filing, publication or registration under labour law is separate from document registration under the Registration Act and stamping under State law.

Evidence and document-retention checklist

Retain the operative law/rule version, classification note, approvals, signed instruments, statutory forms, portal acknowledgements, registers, calculations, bank proof, correspondence, inspection records, service proof, decision and appeal file. Apply the longer of the statutory retention rule, litigation hold, tax/audit need and contractual requirement; restrict access to personal and sensitive data.

Performance, delivery and payment controls

Create a milestone file for notice, consultation, permission, compensation, re-skilling contribution, service of orders and payment. No restructuring should

close until payroll, bank proof, employee-wise computation, statutory filing and possession/access controls reconcile.

Breach, loss, mitigation and remedy framework

On detecting a breach, stop continuing exposure, preserve evidence, quantify employee and government dues, identify affected persons, make lawful corrective payment/filing, notify the authorised decision-maker, assess self-disclosure or compounding where available, and reserve contractual recovery against responsible vendors without delaying statutory remediation.

Limitation and forum controls

Use the conciliation officer, tribunal, national industrial tribunal, appellate channel or other prescribed forum as applicable. Track the dispute date, cause of action, pending proceedings, protected status and service of notices; private jurisdiction clauses cannot override the statutory adjudication scheme.

Arbitration and mediation interface

Voluntary arbitration and settlement mechanisms may be available where the Code permits. Draft the reference, issues, arbitrator appointment, publication/filing and settlement authority carefully; mediation is useful for commercial terms but must preserve non-waivable worker protections.

Company, partnership, GST and tax overlays

For a company, align board/delegation and officer-in-default controls; for an LLP or partnership, identify the designated partner/partner and authorised employer representative. Labour dues can affect transaction price, indemnities, director/partner exposure and insolvency claims. Salary/TDS, perquisite, contractor TDS, GST on outsourced services and accounting provisions must be reconciled without treating tax treatment as proof of labour-law classification.

Finin2min Q&A

Which law and version should be applied?

Use the current text of Industrial Relations Code, 2020, the commencement notification, the applicable Central or State Rules and any later instrument effective on the event date.

How is the appropriate Government identified?

Classify ownership/control, sector, establishment and contractor relationship before selecting the Central or State authority.

Can a company policy override the statutory protection?

No. A policy may improve a benefit or control, but it cannot contract out of a mandatory statutory floor.

What evidence should be retained?

Retain the classification memo, source instrument, form/portal record, calculation, approval, employee communication, acknowledgement and payment or authority proof.

Do the Central Rules apply to every establishment?

No. They govern the Central sphere. State Rules and State notifications must be checked where the State is the appropriate Government.

How should a historical event be tested?

Apply the law and subordinate instrument effective on the event date, then use the repeal-and-savings provision for pending rights and proceedings.

What happens when portal practice conflicts with the statute?

Record the conflict, follow the higher legal instrument, seek authority clarification where necessary and preserve screenshots and correspondence.

Can criminal and monetary consequences arise together?

They may. Separate wages/benefits, interest, damages, civil penalty, prosecution, compounding and director/officer liability.

Is a contractor arrangement enough to shift liability?

No. Principal-employer and contractor liabilities depend on the specific provision and facts; the contract should allocate evidence and recovery without diluting worker rights.

What is the first professional review step?

Freeze the event date and facts, identify the applicable provision, then map Rules, forms, notification status, authority, limitation and evidence.

What is the operational focus of section 77 - Application of this Chapter?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 78 - Prohibition of lay-off?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 79 - Conditions precedent to retrenchment of workers to which Chapter X applies?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 80 - Procedure for closing down an industrial establishment?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 81 - Duty of an employer to maintain muster rolls of workers?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 82 - Certain provisions of Chapter IX to apply to industrial establishment to which this?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is review control 17 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 18 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

[← Previous: Lay-off, retrenchment and closure](#)[Next: Worker re-skilling fund →](#)

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