



Circular No – 038/2024

Date:11.06.2024

To

All Members of the Association

**STANDING ORDERS EXEMPTION TO IT COMPANIES
EXTENDED BY FIVE MORE YEARS**

1. The Association had taken up the matter with Government of Karnataka for continuing the exemption granted to IT & ITES Establishments from the provisions of the Industrial Employment (Standing Orders) Act. The letters addressed to the Secretary Department of Labour Government of Karnataka were circulated for information of members vide KEA Circular no. 12/2024 dated 01.02.2024 and subsequent circular no. 25/2024 dated 22.03.2024 and the latest letter dated 31.05.2024 to Government was also circulated to the members vide circular no. 37 dated 07.06.2024.
2. The exemption granted to the IT and ITES Establishments vide notification no. LD 194 LET 2016 dated 25.05.2019 from the provisions of Industrial Employment (Standing Orders) Act expired on 24.05.2024.
3. Now, the Government has further extended the exemption for five years from 10.06.2024 vide notification No. LD 328 LT 2023 dated 10.06.2024.
4. The exemption is subject to the following conditions:



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- Each IT / ITES / Start-ups / Animation / Gaming / Computer Graphics/Telecom/BPO/KPO/other knowledge-based industries establishment shall constitute Internal Committee as per the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.
- Each IT/ITES/Start-ups/Animation/Gaming/Computer Graphics /Telecom /BPO /KPO /other knowledge-based industries establishment shall constitute a Grievance Redressal Committee (GRC) consisting of equal number of persons representing employer and employees, to address any complaint/grievances of any of the employee. The GRC shall be empowered to handle all types of complaints/grievances of employee within a reasonable timeframe.
- Each IT/ITES/Start-ups/Animation/Gaming/Computer Graphics /Telecom /BPO /KPO /other knowledge-based industries establishment shall Intimate information about the cases of disciplinary action like suspension, discharge, termination, demotion, dismissal etc. of its employees to the Jurisdictional Deputy Labour Commissioner and commissioner of Labour in Karnataka.
- Any information regarding service conditions of the employees of any IT/ITES/Start-ups/Animation/Gaming/Computer Graphics





/Telecom /BPO /KPO /other knowledge-based industries establishment sought by the Jurisdictional Deputy Labour Commissioner and Commissioner of Labour in Karnataka shall be promptly and fully submitted by every employer within the reasonable timeframe fixed by the authority.

5. The exemptions granted is subject to the same conditions which had been stipulated in the exemption granted in the year 2019.
6. It may be noted that the Association had suggested to the Government that the exemption granted to the IT & ITES Establishment may be continued until the Industrial Relation Code 2020 is implemented. The same has been indicated in the exemption order.
7. Copy of the notification No.-LD 328 LET 2023 dated 10.06.2024 of Government of Karnataka is enclosed.

For KARNATAKA EMPLOYERS' ASSOCIATION

**Sd/
[B C Prabhakar]
President**



Government of Karnataka

No: LD 328 LET 2023

Karnataka Government Secretarial,
Vikasa Soudha,
Bengaluru, Dated:10/06/2024.

NOTIFICATION

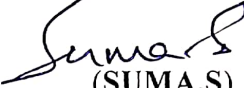
In exercise of the powers conferred under section 14 of the Industrial Employment (Standing Orders) Act, 1946, the Government of Karnataka has exempted IT/ ITES/ Startups /Animation/ Gaming/ Computer Graphics/ Telecom/ BPO/ KPO/ Other Knowledge based Industries from the applicability of Industrial Employment (Standing Orders) Act, 1946 for a period of five years vide Notification No: LD 194 LET 2016, dated: 25/05/2019. In continuation to this notification, the Government hereby exempts the above establishments from the applicability of Industrial Employment (Standing Orders) Act, 1946, for a further period of five (05) years from the date of publication of this Notification in the Official Gazette, subject to the following conditions:

- I. Each IT/ ITES/ Startups/ Animation/ Gaming/ Computer Graphics/ Telecom/ BPO/ KPO /other knowledge based Industries establishment shall constitute Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under.
- II. Each IT/ ITES/ Startups/ Animation/ Gaming/ Computer Graphics/ Telecom/ BPO/ KPO /other knowledge based Industries establishment shall constitute a Grievance Redressal Committee (GRC) consisting of equal number of persons representing employer and employees, to address any complaint/ grievances of any of the employee. The GRC shall be empowered to handle all types of complaints/ grievances of employee with a reasonable time frame.
- III. Each IT/ ITES/ Startups/ Animation/ Gaming/ Computer Graphics/ Telecom/ BPO/ KPO / other knowledge based Industries establishment shall intimate information about the cases of disciplinary action like suspension, discharge, termination, demotion, dismissal etc., of its employees to the Jurisdictional Deputy Labour Commissioner and Commissioner of Labour in Karnataka.
- IV. Any Information regarding service conditions of the employees of any IT/ ITES/ Startups/ Animation/ Gaming/ Computer Graphics/ Telecom/ BPO/ KPO / other knowledge based Industries establishment sought by the Jurisdictional Deputy Labour Commissioner and Commissioner of Labour in Karnataka shall be promptly and fully submitted by every employer within the reasonable time frame fixed by the authority.

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However, in case of The Industrial Relations Code, 2020 been implemented, the Code will apply to all.

By order and in the name of the
Governor of the Karnataka


(SUMA.S)

Under Secretary to Government,
Labour Department.
10/6

To:

1. The Secretary to Government of India , Ministry of Labour & Employment, Shramashakthi Bhavan , New Delhi-110001
2. The Principal Secretary to Government, Commerce and Industries Department Vikasa Soudha , Bengaluru.
3. The Secretary to Government, Department of Parliamentary Affairs, Vidhana Soudha, Bengaluru.
4. The Secretary to Government, Information Technology/Biotechnology & Science & Technology Department, M.S Building, Bengaluru.
5. Commissioner of Labour in Karnataka, Karmika Bhavana, Bannerghatta Road, Bengaluru.
6. P.S to Hon'ble Minister for Labour Department, Vidhana Soudha, Bengaluru.
7. P.S to Principal Secretary to Government, Labour Department, Vikasa Soudha, Bengaluru.
8. P.A to Deputy Secretary to Government, Labour Department, Vikasa Soudha, Bengaluru.
9. S.G.F/Spare Copies.