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KARNATAKA HC ON RETIREMENT AGE OF WORKMEN

A. Introduction

Karnataka HC (“**HC**”) in the *Management of Grasim Industries Ltd.* case¹ directed the workmen in industrial sectors to continue employment till they attain the age of 60 years in line with the amendment made in the Karnataka Industrial Establishment (Standing Orders) Rules 1961 in 2017 based on the present circumstances and life expectancy of people.

B. Facts

1. Karnataka Government, vide dated 27.03.2017 (“**Notification**”)² amended Entry No. 15-A of Schedule I of the Karnataka Industrial Establishment (Standing Orders) Rules 1961 (“**2017 Amendment**”)³ and enhanced the retirement age of workmen in all industrial areas across the state from 58 to 60 years.
2. Grasim Industries Ltd. (“**Grasim**”) challenged the enhancement through batch of writ petitions in the HC.
3. Meanwhile, the workers’ union of Grasim (“**Union**”) applied to the Deputy Labour Commissioner (“**DLC**”) seeking modification of the Certified Standing Orders (“**CSO**”) to enhance retirement age from 58 to 60 years in line with the 2017 Amendment.
4. Grasim filed objections to the modification on the ground that the matter was pending in the Kar HC.
5. However, the DLC certified the modification of CSO and enhanced the retirement age to 60 years. Grasim appealed to the Additional Labour Commissioner (**ALC**) and then to the HC by writ petition which was dismissed. Still aggrieved, Grasim filed writ appeal before the HC.

C. Grasim’s Contentions before HC

1. It was hazardous for workmen over the age of 58 years to work in the industry.
2. A settlement was arrived between itself and the Union where the retirement age was fixed at 58 years and the statutory authorities could not meddle with the arrangement.
3. The procedure to be followed in certifying standing orders was not followed and hence the order must be voided.

¹ *The Management of Grasim Industries Ltd. v. The General Secretary, Harihar Polifibers, Employees Union and Ors.* (05.07.2022-Kar HC): MANU/KA/3199/2022.

² Notification No. LD 72 LET 2013.

³ Issued under the Industrial Employment (Standing Orders) Act, 1946 (“**SO Act**”).

D. Reasoning & Judgment

HC:

1. Relied on a research article titled “*The Association of Retirement Age with Mortality*”⁴ which opined that: “*retirement has huge impacts on the financial resources and daily activities of individuals. Research shows that the retirement age in individuals has increased and hence it is critical to develop better understanding of the impact enhanced retirement age has on the health and longevity of individuals.*”
2. Stated that due to advancement in medical sciences and improved healthcare facilities, there has been an increase in life expectancy of people. This has resulted in an organic nexus between the retirement age and participation in labour force.
3. Relied on the Supreme Court’s (“**SC**”) view in the *British Paints* case⁵ where it opined that it was fair to enhance the retirement age from 55 to 60 years considering the general improvement in standard of health and increase in longevity of people. Fixing retirement age at 55 years had become the norm and it was time to enhance it to 60 considering the present circumstances.
4. Relied on *Yuken (India) Ltd.* case,⁶ which held a similar view on the enhancement of retirement age and further stated that: “*It was not improper on the part of the workers to seek enhancement of retirement age in the standing orders considering that the standing orders were certified in 1979 and more than two decades have passed since then.*”
5. Opined that the SO Act is a pre-independence era act and the Central and state rules enacted under it did not prescribe any age band for retirement. Considering the increase in life expectancy, the 2017 Amendment was introduced to increase the retirement age to 60 years.
6. Held that Grasim’s contentions of the work in its establishment being hazardous to workmen over 58 years did not contain sufficient proof, dismissed the writ appeal due to lack of merits and ordered for all workmen to continue service till they attain 60 years.

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⁴ Wu C, Odden MC, Fisher GG, Stawski RS. “*Association of retirement age with mortality: a population-based longitudinal study among older adults in the USA*” *J Epidemiol Community Health* (2016). Available [here](#).

⁵ *British Paints (India) Ltd. v. Its Workmen* (04.11.1965 - SC): MANU/SC/0249/1965.

⁶ *Yuken (India) Ltd. v. The Bangalore East Industrial Workers Union* (05.01.2005 – Kar HC): ILR 2005 KAR 445.