

PGDM (2021-23)
Employee Relations and Labour Laws

DM 421

Trimester – IV, End-Term Examination: September 2022

Time allowed: 2 hrs

Max Marks: 40

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as Unfair Means.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 4 question with internal choices and CO (Course Objectives) covered	5*4	20
B	Compulsory Case Study	[8+6+6]	20
Total Marks			40

Section A

Note: There are 4 questions in this section. All questions are compulsory. Each question carries 5 marks. **(5x 4 = 20)**

A1a. 'The role of fundamental rights and directive principles of the state policy as per Indian Constitution ensures harmonious employee relations'. Elaborate the relevant constitutional provisions available for the protection of employees and its association. **(CO 1)**

Or

A1b. "India is a labour intensive economy and its socio-economic setup requires a paradigm shift in its Industrial Relations policy". Comment. Also discuss the post liberalization industrial relations scenario in India with examples. **(CO 1)**

A2a. In the new wage code 2019, explain the new definition of 'Wages' under section 2(y) and the associated proviso 1 and proviso 2 in detail? Also describe the salient features on health, safety and welfare provisions as discussed in the new occupational safety, health and working conditions code 2020?

(CO 2)

Or

A2b. Explain your understanding about Labour Reforms and its role in managing social security norms in the Industry, with special reference to India. Discuss the schedules as stated in the Industrial Relations Code, 2020. **(CO**

2)

[Turn Over]

A3a. 'Gig worker' and 'Platform worker" as per the new social security code have different meaning'. Explain. In the light of this code how are 'contract labour' different from 'fixed time worker'. State the various schedules as discussed in the Social Security Code, 2020? **(CO 2)**

Or

A3b. Define the term 'accident' with respect to industrial employment. When is an accident treated under notional employment? Mr Mahendra Biswas, born on 25 Oct 1985, is working as a Assistant Machine Operator in a Automobile Industry. He has been associated with this company since 2005. On Nov 24, 2020 he met an accident, while on work, leading to an injury causing 50% loss of his earning capacity. His last drawn monthly wage was INR 21000 per month just before the accident. Calculate his total compensation entitlement as per the new code? Also state the different types of disablements discussed in the Social Security Code, 2020. **(CO 2)**

(Factor 31y:205.95, 32y:203.85, 33y:201.66, 34y:199.40, 35y:197.06, 36y:194.64, 37y:192.14, 38y:189.56, 39y:186.90, 40y:184.17)

A4a. "An act of insubordination in work place amounts to indiscipline". Comment. What major steps you would initiate and implement as an HR manager to maintain discipline in the work place? Also discuss the various forms of punishment for workplace related misconducts. What is the role of alternate dispute resolution (ADRs) mechanism in handling industrial dispute and disciplinary matters..

(CO 4)

Or

A4b. As an HR manager of a company, give five steps with examples you would undertake to strengthen labour–management relationship in an auto manufacturing unit employing 1000 employees. What type of Alternate Dispute Resolution method should be used to address industrial disputes for managing healthy employee relations.

(CO 4)

Section B

Note: Analyze the case and answer all three questions.

(CO-3)

(8+6+6=20)

The Honda Motorcycles and Scooters India Ltd. (HMSI)

The Honda Motorcycles and Scooters India Ltd. (HMSI) is a wholly-owned subsidiary of Honda Motor Company Limited (HMCL), Japan; the latter is the largest manufacturer of two-wheelers at the global level. HMSI was established on 20th October 1999, and employed about 3000 employees in all, in its plant at Manesar Gurgaon. It provided many welfare benefits to its employees, and also met its liabilities under different labour laws. The human resource (HR) policies of HMSI are in alignment with the philosophy of its parent company, HMCL, which includes two fundamental beliefs:

(1) Respect for individual differences; and

(2) The three joys: the joy of buying; the joy of selling; and the joy of manufacturing.

[Turn Over]

The HR policies of HMSI, among others, include constituting some committees by the management consisting of workers and management representatives. The company's three-monthly newsletter focuses on targets, safety, achievements concerning quality, safety and training programmes on defensive and safe driving of two-wheelers; thus highlighting management's concerns and not issues that workers consider important. Workers perceived unfair treatment for the first time in November 2004, when they were offered by the management a Diwali gift of Rs. 600. They thought that keeping in view the fact that their company was a well-known MNC they deserved much better treatment on that occasion. This feeling got accentuated with other acts of arbitrariness and nepotism practiced by Indian managers in HMSI. They also felt aggrieved at the idiosyncratic attitude of a Japanese Vice-President (Production) who one day kicked a worker (though it was partly a friendly kick) who was slightly late in joining work after the tea interval. The discipline enforced on workers was very strict; they were often given sermons on their work behaviour, which they did not like. While Japanese top management had cross-cultural misunderstanding about Indian workers' psyche, Indian managers were practicing favoritism and hierarchical authoritarianism against them. The workers also noted a high wage difference in HMSI and the Hero-Honda for the same work. So they started a campaign for registering the union, and made demands by submitting to the management a demand charter. The management tried in vain its level best to stop union formation and registration. The concerned registrar of trade unions denied union registration on the frivolous ground that registration would vitiate the peaceful atmosphere in the Gurgaon industrial region, which was a patently illegal reason. Eventually, the union registration took place in May, 2005 with the active intervention of Mr. Gurudas Gupta, a Member of Indian Parliament, who belonged to the Communist Party of India (CPI). He was an office bearer of its trade union wing, AITUC (All India Trade Union Congress). Some usual IR tactics were adopted by both sides, which heightened the tension in IR climate. There were also some cases of minor violence by workers at the workplace.

The worst happened in the short IR history of HMSI when a violent battle was fought between the HMSI workers and the local police on 25 July, 2005 at the office of the Deputy Commissioner (who is Chief of the civil administration) of Gurgaon district where workers had gone to protest against the alleged high handedness of the HMSI management in, what they described as, collusion with the state administration. This resulted in severe injuries to some 70 workers. The Indian multi-channel TV news network telecast the violence on workers almost live. Due to workers representatives' pressure on the government, the state Chief Minister was directed by the Congress (the ruling party) President Sonia Gandhi to facilitate a settlement between the HMSI management and its workers. On July 30, 2005 an agreement was arbitrated by the state chief minister, which provided that the striking workers would resume duty from 1st of August 2005, suspended workers would be taken back on duty, and that workers would not raise any new demands with financial implication during the next one year. The management was concerned at not just the losses but also at the magnitude of alienation amongst the workers and the violence perpetrated on them by the police.

In the post-July 25 scenario, the management allowed several concessions to workers on many fronts. The union office bearers were allowed to do full-time union work. Despite the losses, workers could secure an impressive amount of money from management as bonus for the year

2004-05. The management's allegiance to soft model of HRM strategy was more of merely rhetoric as it had taken the workers for granted. It is only in the post-July 25 scenario, that the management

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started sending managers to attend management development programmes (MDPs) in areas such as inter-personal skills; team-building, negotiation, and conflict management. It decided to appoint a Senior Manager-IR. Union office-bearers were given training by the HR department on building cooperative IR.

Finally the company suffered a loss of Rs. 1.3 billion; and saw the emergence of a strong union. But keeping in view the totality of the HR practices that the company was following, there was a wide gulf between its projected HR policies and actual practices. The managers conducted themselves like autocrats, abused their authority, imposed unreasonable restrictions on employee movement, refused leave even in genuine cases of leave, threatened the workers of termination from service, etc The HMSI case clearly shows the presence of Tayloristic working conditions in the company before the trade union came into existence, which became balanced after the July 25 scenario.

The State (political executive, administration, police) came to the aid of HMSI management in its efforts to discipline workers and resist union formation. All this however strengthened the linkage between the union and the AITUC. Today, state's priorities are more focused on efficiency, higher growth in GDP, and foreign direct investment rather than social justice. The present state of apparent cooperation in IR is symptomatic partly of a covert pressure on workers of the state's indifference to their cause. The Indian data on industrial conflict shows that man days lost due to lockouts is much higher than those due to strikes. Thus, in a way the state assists capitalist in violation of trade union rights of the working class and dilution of labour standards.

Questions

1. Critically analyse the case with respect to the role of Management and political intervention. Suggest any other alternative to solve this issue?
2. Why did the Honda workers feel alienated from the management? How was the problem resolved?
3. What are the different laws applicable to HMSI case? Also write the respective provisions concerned with this case.