

PGDM (2015-17)

Industrial Relations and labour laws

DM 422

Trimester – IV, End-Term Examination: September 2016

Time allowed: 2 hrs 30 min

Max Marks: 50

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**. In case of rough work please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

Note: Answer any three question each question carries equal marks. (5 x 3 = 15)

1. Explain the general provisions on prohibition of 'Strikes' and 'Lockout' as per the IDA, 1947.
2. "All that is required for successful worker-management relations is common sense, sound business judgment and good listening skills". Do you agree or disagree? Discuss
3. What is the purpose of discipline in an industrial organization? What do you understand from the term 'discharge simplicitor'?
4. State the salient features of Industrial employment (standing orders) Act 1946. Also elaborate the items listed in its schedule.
5. Mr Dharendra Brahmachari, born on 25 Aug 1972, is working as a Dumper Operator in Bauxite Excavation Limited. He is associated with this company since 1995. On August 24, 2011 he met an accident, while on work, leading to an injury causing 90% loss of his earning capacity. His last drawn monthly wage was ₹ 15,000 before the accident. Calculate his total compensation entitlement as per ECA 1923 (2009 Amendment)?
(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)

Section B

Note: Answer any three question each question carries equal marks. (10 x 2=20)

1. Explain briefly three-tier system of adjudication under Industrial Disputes Act(IDA) 1947. What is the significance of section 9A of the IDA? How is continuous service defined under section 25B of the ID Act 1947.
2. Elaborately discuss all the schedules given under the factories act 1948. Why is the existing factories act 1948 provisions are seen as an impediment to development?
3. Explain your understanding of 'Industrial Relations' and 'Reforms in Labour Laws'. As an HR manager, what key measures would you suggest to your organization to improve conditions of services of labor? (refer to the recommendations made by the labour reforms committee)

Section C

Note: Analyze the following case and answer the following questions. (7.5x2 = 15)

How Justified Is Termination On Disciplinary Grounds?

Madhusudan Mistry is a forklift operator at Teletronics Industries, a global electronics company with an employee strength of over 7000. During a particular busy shift, Madhusudan tipped over a large load of television sets. Sad to report, about Rs.5, 00,000 worth of merchandise-consisting of flat television sets-got damaged in the accident. Two workers standing nearby also suffered minor injuries. Madhusudan is notorious for his careless and reckless handling of equipment. Of late, he is seen taking pleasure in violating rules and regulations. On occasions he was caught smoking in prohibited places. He was caught in a drunken state also in the recent past-with the exception that he was not involved in any accident leading to materials/equipment damage. The matter was brought to the immediate notice of the Plant manager Shankar Sharma, who has taken over the reins from the then in-charge, about a year back. Apart from being late to work almost with frustrating regularity, Madhusudan's infamous ways of misconduct have become hot topics for gossip in the canteen and elsewhere. Madhusudan has been with the company for more than two decades now. In the formative years, he was reported to be a very dedicated, sincere and hard working individual. He won the best employee of the plant award during those days. After the two initial promotions- which he was able to get based on his own merit and dedicated service- Madhusudan could not be considered for the Supervisor's post. The company policy came in the way of his promotion. He made representations through the union three or four times. To reinforce his claims, he became an active member of the union; contested elections and became the Joint Secretary. Regular

representations from Madhusudan for the next level promotion have been turned down. Madhusudan's frustration, especially during the past 12 months or so, grew. He became a victim of excessive smoking and drinking. Personal relations with co-workers have also been marked by violent arguments leading to occasional fighting. The new plant manager's arrival dramatically changed his outlook toward his job as well. Encouraged by his position in the union, he started reporting late quite regularly; started handling equipment in a casual manner and took pleasure in violating the norms at regular intervals. On one fateful day, which happened to be the joining date of Madhusudan about twenty years back, Madhusudan came in a slightly drunken state. While positioning materials, he dragged the loose ends of a very large load of flat television sets by mistake and collapsed immediately on the shop floor.

He was rushed to the hospital inside the plant immediately. The extent of damage was calculated immediately. The two co-workers who suffered minor injuries did not put an accusing finger on Madhusudan-though strangely. Conflicting responses have come when the new plant manager, Shankar started probing into the incident. Everyone gave evasive replies and were not prepared to testify before the camera. Shankar immediately sought the doctor's certificate whether Madhusudan was in a drunken state at the time of accident. The medical report clearly stated that Madhusudan reported for work in a drunken state. After this clinching evidence, Shankar-who could not take disciplinary action against Madhusudan on previous occasions-immediately called for a meeting of the Disciplinary committee. The committee discussed the matter for over 2 hours looking at the pros and cons of the issue carefully. Two representatives from the union were also asked to join the deliberations. There were strong protests from the union members when the disciplinary committee decided to suspend Madhusudan. The company is prepared to suffer the equipment damage but is not willing to let the employee go without punishment. The Union members, however, did not agree with this position. "Rules or no rules, Madhusudan cannot be suspended based on a 'cooked up medical certificate issued by the doctor appointed by management. This being a first incident of its kind, management should not go overboard in hitting a worker below the belt". More importantly, Madhusudan being the joint secretary of the union, the incident would clearly put the union at the receiving end. Shankar, being young in age and also fresh from a reputed Business School wanted to use the situation to establish his authority quickly. Putting aside advice from his peers, the suspension order has been displayed on the notice board the next day. The company policy is very clear: anyone caught in a drunken state while at work is liable for suspension. According to Shankar, in matters of discipline, there should be no room for loose interpretation. Madhusudan

received the suspension order the very next day. The union members who participated in the discussions with the Disciplinary committee have called for an emergency meeting of all workers. After serious deliberations for over three hours, every member of the union felt that management acted in haste and such arbitrary and unusual actions should be resisted firmly. A strike notice is being hurriedly drafted.

Questions

1. Given what you have read here, how would you rule in this case, if you were settling it? What factors would lead you to your conclusion?
2. Do you think that in matters of discipline, emotions should be put aside and company rule book should guide executive thinking and actions?
3. What other best alternative Shankar, the new plant manager could have adopted to avoid the impending strike and at the same time maintain discipline?
