

PGDM (2013-15)

Industrial Relations and labour laws

DM 422

Trimester – IV, End-Term Examination: September 2014

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 your understanding of Industrial Relations. As an HR manager, what key measures would you suggest to your organization to improve industrial Relations? (Be brief and to the point)
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 major steps you would initiate and implement as an HR manager?
- 4 State the salient features of Industrial employment (standing orders) Act 1946. Also elaborate the items discussed in its schedule ?
- 5 Mr Rajendra Kumawat, born on 25 Aug 1973, 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 ₹ 5000 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 1947. Also define "retrenchment" and 'lockout' as per IDA 1947?
2. "Health Safety and Welfare are the essential features of factories Act" Explain and also state the provisions as illustrated in this Act? Also briefly discuss various schedule items under the factories act 1948?
3. Explain the provisions on 'Strikes' and 'Lockout' with special reference to its general prohibition, legality or illegality aspects. Also state the meaning of continuous service under section 25B of the ID Act 1947.

Section C

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

Can you fire an employee like this?

Venkat Kumar is a forklift operator at Videoboon industries, a global electronics company with an employee strength of over 7000. During a particular busy shift, Venkat 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. Venkat 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, Venkat's infamous ways of misconduct have become hot topics for gossip in the canteen and elsewhere. Venkat 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-Venkat 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 Venkat for the next level promotion have been turned down. Venkat'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 Venkat about twenty years back, Venkat 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 Venkat-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 Venkat was in a drunken state at the time of accident. The medical report clearly stated that Venkat reported for work in a drunken state. After this clinching evidence, Shankar-who could not take disciplinary action against Venkat 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 Venkat. 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, Venkat 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, Venkat 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. Venkat 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?
