

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER-III • EXAMINATION – SUMMER • 2015

Subject Code: 830303

Date: 05-06-2015

**Subject Name: Management of Industrial Relations and Labour Legislations
(MIR&LL)**

Time: 14:30 pm – 17:30 pm

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1 (a)** Explain the term “Industrial Relations”. Explain the work of various authorities like the Works Committee, Industrial Tribunal and the National Tribunal. **07**
- (b)** Is registration of a trade union compulsory as per Trade Unions Act-1926? **07**
Discuss the benefits and other rights and privileges available due to registration
- Q.2 (a)** Define Factory. Elaborate Welfare facilities provided to employees as per the Factories Act, 1948 **07**
- (b)** What is an industrial dispute? What are the legal provisions concerning strikes and lockouts? **07**
- OR**
- (b)** What is meant by standing orders? Mention some major items covered in the standing orders as per Industrial Employment (Standing Orders) act, 1946 **07**
- Q.3 (a)** Discuss the important objectives of Contract Labour Act (Regulation and Abolition)-1970. Can the contract labour system be abolished? **07**
- (b)** Define Discipline. Explain step by step conducting discipline procedure **07**
- OR**
- Q.3 (a)** Explain the term collective bargaining. Mention in brief various types of Collective bargaining. What are the pre-requisites for collective bargaining process to be successful? **07**
- (b)** Define commercial establishment. State opening hours, closing hours, daily hours, weekly hours, interval for rest, and spread over for shops and commercial establishment under Shops and Establishment Act, 1948. **07**
- Q.4 (a)** ABC is a private company engaged in the construction of small dams, they wanted a considerable working force so engaged laborers through a contractor. The project went on for 6 months. The contractor did not provide salaries to the laborers and the ABC Company provided salaries and other things. The laborers are claiming service in the company on the ground that they worked for 6 months and they were getting salaries from the company. Are they entitled to get absorption? Which acts will be applicable to this situation and as an Manager of this ABC company what decision will you take? Why? **07**
- (b)** XYZ Company is having industrial dispute and charge sheet is filed for Mr. A. Employee of XYZ firm. The issues on Rate of Subsistence allowance is as under: **07**
1. Charge sheeted for Negligence of Duty: 03-12-08
 2. Suspended for Allegation of theft (Another Charge) followed with Charge sheet: 03-04-09
 3. Subsistence allowance (Rs. 2500)/Month being paid (@ 50% wage) – Wage/Month: 5000
 4. Found Guilty for earlier charge (I.e Negligence of Duty) & Pay reduced

to Rs. 4400 as punishment.

What will be the subsistence allowance now: Rs. 2500 or Rs. 2200.

Also Please indicate the judicial decision in support of your answer.

OR

- Q.4 (a)** As per the Factories Act, If a worker works for more than 9 hours in a day or 49 hours in a week, he is entitled to overtime at double rate. Suppose a worker is given 30 minutes lunch break and 2 Tea breaks of 15 minutes. What is the overtime payable for one day, in case he works for 12 hours? What is the overtime payable for one day, in case he works for 12 hours? What is the overtime payable for one week if he continues to work for 12 hours on all the 6 days? **07**
- (b)** Explain the terms: 'principal employer' and 'contractor' as per Contract Labor (Regulation & Abolition) Act, 1970. What are the obligations of principal employer and contractor under this law? Explain the setup of various advisory bodies for the purpose of administration of this law. **07**
- Q.5 (a)** What is Grievance? How to handle grievance in the industry? Explain with relevant example. **07**
- (b)** Define Industrial Relations, state its characteristics. Discuss factors affecting industrial relations. Explain various dimensions of Industrial Relations **07**

OR

- Q.5 Read the case study carefully and answer the following questions in this context.**

Satyam fraud may be the first of its kind in India, but it is definitely not the first such fraud of the world. Enron, an American Company, did exactly the same. There also, auditors were among the major culprits. Jeffrey K. Skilling, former CEO of the company, is serving 24 years of imprisonment. The auditing company, Arthur Andersen, has lost its existence the world over after the Enron scandal. The company could not have done a fraud without the knowledge of the auditors. PricewaterhouseCoopers is also dodging to have a word on the issue.

PricewaterhouseCoopers was the auditor of Satyam while Satyam was fudging its accounts, its auditor; the PricewaterhouseCoopers was certifying these accounts to be correct. Auditors minutely check and examine each and every business transaction and certify the same to be correct. These certified account statements are then sent to the shareholders. The Satyam fraud has not been committed by Ramalinga Raju alone; its auditor must also have been fully involved in it. PricewaterhouseCoopers was also the auditing firm of Global Trust Bank which is also facing legal charges for not only certifying fudged accounts of the bank but for also giving it a good rating. Can they involve trade unions to probe?

Even corporate frauds would be an extremely rare incidence in organizations like Satyam had the trade unions and their officers' associations performed the crucial role of whistleblower. According to the Comptroller and Auditor General (CAG), "The officers' associations and workers' unions ensure information dissemination and thereby any wrongdoings can be detected early. It cannot continue for years together as it has been done by Satyam." The CAG

gets a large number of letters, often anonymous, about irregularities in various public sector undertakings. In the banking sector, another services sector like information technology, many frauds and malpractices have been exposed and nipped in the bud, since trade unions are proactive and strong in this sector.

Mr. Gurudas Dasgupta, CPI leader and the General Secretary of the All India Trade Union Congress (AITUC) that controls the largest banking unions in the country (AIBEA and AIBOC), believes that trade unions prevent irregularities by exposing them.

The banking unions are strong enough to the extent of compelling the management to bring to light the most confidential and unpublished lists of defaulters. However, the absence of trade unions in the IT sector gives an opportunity to the management to do the business the way they want. A comparison of banking and the IT sector, both offer services, gives ample proof that trade unions have a positive role in correcting the imbalances in the system.

- (a) Can trade unions be involved in exposing the fraud, irregularities and malpractices in the industry? **07**
- (b) “No union, more fraud.” Do you agree with the statement? Why or why not? **07**
