

**GUJARAT NATIONAL LAW UNIVERSITY  
GANDHINAGAR**

Course: Labour Law I

Semester- VII (Batch: 2019-24)

End Semester Examination: November 2022

Date: 04<sup>th</sup> Nov, 2022

Duration: 3 hours

Max. Marks: 50

**Instructions:**

- Read the questions properly and write the answers in the given answer book.
- Do not write anything on the question paper.
- The respective marks for each question are indicated in-line.
- Indicate correct question numbers in front of the answer.
- No questions or clarification can be sought during the exam period, answer as it is, giving reason, if any.
- Word Limit: 10 Marks: 550-600 words, 5 Marks: 300-350 words.

**(Answer Any Five)**

**Marks**

- Q.1 Personnel working in the production and marketing department of Hindustan Fertilisers Limited were furious during the year 2014-2015. The company did not grant dearness allowances based on the cost of living index in the year 2013, 2014 and 2015. In fact, the prospects for the year 2017 are slim. Hence, the company cut the benefits and welfare measures. Working conditions in the company became worsened. In fact, there has been over 20% staff shortage in both the departments. Salaries in the company are 20% below than that of the competitors. (5x2=10)

Mr. Gyan Prakash, an employee in the Quality Control Department was suspended from duties in December 2015 as he failed to attend to work for two days. Mr. Thakker one of the Trade Union leaders, made the following comments:

“We have to do something here. Our morale is at an all time low. Our salaries and benefits are low and the working conditions are quite poor. On one side, management has not been taking care of employees and on the other side, it is disciplining the employees. Therefore, it is time for us to meet the management and get some answers. I hope the company won’t enhance our salaries and benefits, if we keep quiet. To get the appropriate levels of salary and benefits from the management, we must act as one. If we separate, we will go down to drain.”

Mr. Arya Bhatt, the CEO of the company, on hearing rumours of the meeting, met the office bearer of the trade union to discuss the concerns of the employees with regard to the suspension of Mr. Gyan Prakash. He addressed.....

“Dear friends, I think we have a problem that needs immediate attention. Our employees are upset over a lot of things. In fact, their most outspoken member is getting them united. If we do not act quickly and wisely, our employees’ morale will go down further. In fact, the company is under severe competition particularly from the foreign competitors consequent upon globalisation. Company’s financial position is bleak and as such, we are unable to enhance salaries and benefits and improve the working conditions. The company has been contemplating to improve brand loyalty, market position, market share and financial position and then enhance employees’ compensation. As such the

company wants to improve employee commitment to the work. I therefore, strongly feel that the action taken against Mr. Gyan Prakash is in the best interest of the company. I request you to convince the employees not to take any action in this regard and to enhance their contribution.

On the basis of above stated facts answer the following questions:

- a) What problems at Hindustan Fertilizers do you think led to the union problems?
- b) What would be the outcome of the CEOs discussion with the office bearers of the trade union? Which approach of industrial relations the CEO has adopted?

- Q.2 The Andhra Pradesh State Road Transport Corporation has been providing passenger transportation facilities since 1995. It has been extending its operation from one region to another by nationalising the private passenger transport companies in a phased manner. Presently, it is operating its services in 80% of the routes in the State. It nationalised two routes in East Godavari District in the State in October 2006. Normally, it absorbs all the employees working in passenger transport companies before nationalisation and fixes their wages at par with the scales of similar categories of jobs. The pay scales in the corporation are determined on the basis of mutual agreement between the management and the recognised trade unions. The scales are revised once every three years. The recent agreement came into force with effect from September 2006. There are two classes in the driver's category, i.e. Class I (drivers working on long distance buses) and Class II (drivers working in short distance routes. The pay scale of Class II drivers is enhanced from Rs. 600-1200 to Rs. 900-1600 (with effect from September , 2006) in consequence to the latest agreement. The agreement further says that the pay scales of the drivers drawing the scale of Rs. 600-1200 will be fixed in the scale of Rs. 900-1600. (5x2=10)

The corporation absorbed 10 drivers who were with the private passenger transport companies upon the recent nationalisation of two routes. The personnel department fixed the scale of these 10 drivers in the scale of Rs. 600-1200 and it rejected their plea of fixing their pay in the scale of Rs. 900-1600 saying that only drivers drawing the scale of Rs. 600-1200 are now eligible to draw the new scale of Rs. 900- 1600. The employer has set up collective bargaining machinery to solve the problem of the employees.

On the basis of above stated facts answer the following questions:

- a) Decide the methods of collective bargaining which may help in solving the problems of the employees.
- b) Whether the collective bargaining mechanism is successful in India? State the reasons in support of your answer.

- Q.3 The principal business of the Jay Engineering Works consists of the manufacture of Sewing machines and fans. It has a sales office known as the 'Eastern India Usha Corporation' at No. 26 R. N. Mukherjee Road in Calcutta. The said office employs, apart from the management staff, approximately 365 workmen. Mr. Ram Nath Gupta is the manager of the said office, Anand Prakash is the office superintendent, Srikesh Lahiri is the area Supervisor and S. K. Mukherjee is also an Area Supervisor. The Jay Engineering Workers Union is registered under the Trade Unions Act, 1926. R Kushari is the (10)

executive member of the said union, while the others are members of the said union. On 17th January, 2019, 18 employees of the sales office, including the other members of the trade union were retrenched. On the 27th January 2019, at about 1.00 p.m. the retrenched employees along with 70 others, blockaded the said corporation's premises, completely obstructing the passage of personnel and goods, including food stuffs for the barricaded persons inside, who were wrongfully confined therein. The blockade was lifted at 3 A.M. on 28th January 2019 after police intervention. On 2nd March, 2019 the retrenched workers, together with other employees numbering about 200 persons gheroaded the manager and other officers at the office premises from 1 P.M. The said persons confined the manager, and the other officers, tampered with the company's property, spoiled the walls and continuously shouted insulting and humiliating slogans against the confined persons. Supply of food to those confined was not permitted except for a nominal quantity at the will of the besiegers. Information was given to the police authorities at Hare Street Police Station, but no action was taken. The management of Jay Engineering Works filed a criminal case against the members of the Jay Engineering Workers Union indulged in violence. The members claimed immunity as per the protections available to the members of a registered trade union.

On the basis of above stated facts decide whether the members can claim the protections under the Trade Unions Act, 1926? State reasons for your answer with the help of decided cases.

- Q.4 A sugar factory was closed from 1 July, 2012 to 9 August, 2014 and thus the workers were out of employment for that period. After the factory was reopened on 10 August 2014, all the employees, including one Mr Ramesh, were re-employed. On 7 March, 2015, Ramesh filed an application before Labour Court purporting to be one under Section 33(C)(2) of the Industrial Disputes Act, 1947. Ramesh alleged that as a consequence of the closure of the factory, the workers including himself were retrenched and hence he was entitled to retrenchment compensation under Chapter V-A of the Industrial Disputes Act, 1947. He further claimed that it was a benefit computable under Section 33(C)(2) of the Industrial Disputes Act, and, therefore, the benefits should be computed and awarded to him. The employer has raised the objection that the labour court, had no jurisdiction to entertain the application because the claim for retrenchment compensation was not a benefit capable of being computed in terms of money within the meaning of Sub-section (2) of S. 33C. (5x2=10)

The another objection raised by the employer was that the claim is not one falling under S. 25F of the Industrial Disputes Act, 1947, but is a claim under S. 25FFF of the said Act. It is purely a claim for compensation for the closure of the undertaking and is computable in accordance with the provisions of S. 25F as if the workman had been retrenched, subject, however, to the provisions of Sub-section (2) of S. 25FFF of the Industrial Disputes Act.

On the basis of above stated facts answer the following questions:

- a) Whether the Labour Court has the jurisdiction in the above stated matter?
- b) Whether the claim of the workers for retrenchment compensation is justified?

- Q.5 What are the challenges posed by the Covid 19 pandemic especially for the working class in India? How can we improve our industrial relations policy in order to face any such global crisis? (10)
- Q.6 Ambuja cement factory which is situated in the State of Bihar belonged to Ms. Parthiv Brothers company and a limestone quarry owned by the same company situated about a mile and a half from the factory. Limestone being the principal raw material for the manufacture of cement, the factory depended exclusively for the supply of limestone on the said quarry. On behalf of the labourers in the limestone quarry certain demands were made on the management of the company. However, as they were rejected, they went for a strike; and on account of the non-supply of limestone due to the strike, the management had to close down certain sections of the factory and to lay-off the workers not required during the period of closure of the sections concerned. Subsequently, after the dispute between the management and the workers of the limestone quarry was settled and the strike came to an end, a demand was made on behalf of the workers of the factory who had been laid-off during the strike, for payment of lay-off compensation under Section 25 C of the Industrial Disputes Act, 1947, however the management refused the demand. (5x2=10)

On the basis of the above stated facts answer the following questions:

- a) Whether the workers demand for lay-off compensation is justified as per the provisions of the Industrial Disputes Act, 1947?
- b) What are the conditions laid down under the provisions of the Industrial Disputes Act, 1947, when the workmen are not entitled for lay-off compensation?

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