

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA - SEMESTER– III EXAMINATION – WINTER 2019****Subject Code: 2830303****Date: 05-12-2019****Subject Name: Management of Industrial Relations and
Labour Legislations****Time: 10:30 AM TO 1.30 PM****Total Marks: 70****Instructions:**

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

Question Text and Option

6**Q.1 (a)** The scope of IR does not include

1. A. Employer & Employee relation
B. Employee & Trade Union relation
C. Employee, Employer & Trade Union relation
D. Employee & Customer relation

Workers participated in Management has _____ objectives

2. A. Economic
B. Psychological
C. Both A & B
D. None of these

The objectives of Trade Union includes

3. A. Employee Competition
B. Working Condition
C. Recognition & Participation
D. All of these

Which of the following are the main causes of indiscipline.

4. A. Wage differentials
B. Unreasonable work assignment
C. Non payment of Bonus
D. Any of the above

Which of the following is not the most important aspects of the process of collective bargaining

5. A. Negotiations
B. Confrontations
C. Discussions
D. Compromise

Reduction of labour force is called

6. A. Termination
B. Retrenchment
C. Layoff
D. Right sizing

Q.1 (b) Define terms

- Social security
- Lay-off
- Lockout
- Productivity

04**Q.1 (c)** What is collective bargaining?. Explain its process**04****Q.2 (a)** What do you mean by Industrial Disputes?. What are the legal provisions concerning Strikes and Lockouts.**07****(b)** What do you mean by 'Discipline'. In what ways the positive approach to managing discipline more effective than the legal approach.**07****OR**

- (b) What are the silent features of Trade Union Act 1926? Explain the procedure of registration of Trade Union. **07**
- Q.3** (a) “The concept of workers participation management leads to healthier industrial relations”. Comment. Explain the concept of WPM. **07**
- (b) Write a note on ‘Gandhian Approach’ towards Industrial Relations. **07**
- OR**
- Q.3** (a) Define the ‘Factory’. Explain the provision regarding the welfare of workers as per the Factory Act 1948 **07**
- (b) Mention the objectives of the Shop & Establishment Act 1948. What are the important provisions regarding employment of children, young person’s and women in this Act?. **07**
- Q.4** (a) Define the term ‘Retrenchment’. Explain the conditions precedent to Retrenchment of workmen. **07**
- (b) Define the ‘Contract Labour’. Explain the prohibition of employment of contract labour. **07**
- OR**
- Q.4** (a) Explain the term Standing Orders. Why are they called so?. Mention some major items converted in the Standing Order as per Industrial Employment (Standing Order) Act, 1946. **07**
- (b) Explain various stages of Grievance Handling Mechanism within an organization. **07**
- Q.5** Star is a Multinational Company, which is specialized in food processing has been operating in India for about 3 decades. The Company has recently decided to expand its production. It was decided to shift the factory to a new location about 20 kilometers away from its present site. As the workers transferred to the new site were living in town, the union demanded an increase of Rs. 60/- per month in the salary, but the Company offered to give Rs. 25/- only to cover the transport cost. **14**

When the plant was being shifted to the new site, negotiations went on uninterrupted between the Management and the Union on this issue. However both the parties could not come to a settlement even after 6 months.

The Management was firm on their decision even though the union indicated some flexibility. The Union refused to compromise fully on the issue. They adopted go-slow tactics to pressurize the Management. The production went down drastically, but still the Management was firm on their stand. In the meanwhile the Management charge-sheeted some of the Trade Union leaders and suspended them pending enquiry.

Questions:

- Analyze the case given above and elucidate the problem and causes.
- Do you justify the Management’s decision? If Yes/No- why?
- Are the workers right in their approach? Comment.
- As a General Manager – HR of this Company how would you resolve the Problem?

OR

Q.5

On January 08, 2006, Toyota Kirloskar Motor Private Limited (TKM) announced an indefinite lockout of its vehicle manufacturing plant at Bidadi located near Bangalore, Karnataka. The decision was taken following a strike, which had entered its third day, by the Toyota Kirloskar Motor Employees Union (Employee Union), the only company recognized union. The lockout notice stated that the strike was illegal as the Employee Union did not give the mandatory 14 day notice period as per Industrial Disputes Act, 1947. It also stated that the workers were indulging in violence and destruction.

TKM was a joint venture, established in 1997, between Toyota Motor Corporation (Toyota), Japan's largest car company and the second-largest car manufacturer in the world, and the Kirloskar Group of India. Toyota holds an 89% equity stake and while the Kirloskar Group holds the remaining 11%. Toyota has invested nearly US\$ 336 million (INR 15 billion) in the plant with capacity of producing 60,000 units per year. Toyota manufactures its world famous cars like Corolla, Camry and Innova at the plant. The plant had a total workforce of 2,378 out of which around 1,550 employees belonged to the Employee Union.

On January 06, 2006, the Employee Union went on strike with the demand to reinstate three dismissed employees, ten suspended employees, and improve the work conditions at the plant. These employees had been dismissed and suspended by the company, on disciplinary rounds, for attacking a supervisor and misconduct. TKM declared that it would not rehire nor reinstate those employees culminating in the strike and lockout. TKM made several serious allegations against the Employee Union.

The company said that the striking workers were threatening to blow up LPG gas cylinders in the company premises, obstructing the outward movement of manufactured vehicles, illegally stopping production, and manhandling other workers, who were not part of the Employee Union, to strike. In response, the Employee Union said that three employees were dismissed because they were actively participating in trade union activities and the company wanted to suppress the trade union. They further said that working conditions at the plant were inhuman and 'slave-like'. They were often made to stretch their working hours without sufficient relaxation and compensation. The issue took a new turn when representatives from the management at TKM refused to attend a meeting before the Labor Commissioner on January 09, 2006 for resolving the dispute with the union. The company said that the atmosphere was not conducive for talks as the Employee Union was in a violent and agitated mood. Though, the company appealed for two weeks' time to appear before the Labor Commissioner so that situation could become stable, they were given time only till January 12, 2006. The Employee Union got support from various trade unions and demanded the intervention of the state government to help resolve the dispute in their favor.

TKM continued with partial production of vehicles with the help of non-unionized workers and the management staff, who were specially trained for these kinds of emergencies. However, the company's output had fallen from 92 vehicles per day to 30 vehicles with an estimated production loss of around INR 700 million. The Company lifted the lockout on January 21, 2006 stating that it was responding to the request from workers who eager to return to work. The workers were required to sign a good conduct undertaking to maintain discipline and ensure full production. The Employee Union relented and withdrew their strike following a Government Order on January 21, 2006, which was against the strike and referred the issue to the third Additional Labor Court.

However, the union said that they would not sign the good conduct declaration specified by TKM. The unrest had other ramifications as the Toyota spokesperson said that the company would rethink its recent decision to build a second car manufacturing plant in the state. It was also felt that this incident would seriously affect the Karnataka Government's efforts in trying to attract Volkswagen to establish a vehicle manufacturing plant in the state. This was the second dispute involving a Japanese vehicle manufacturer and trade unions in India. Earlier in July 2005, workers of Honda Motor & Scooters India Limited had a violent clash with the police at Gurgaon, near New Delhi, resulting in a revenue loss of around INR 1.25 billion for the company.

This recent rise in trade union activism resulting in violence and business loss has attracted the attention of the national and international media. With around US\$ 2 billion equity investment since 1991, Japan was the fourth largest investor in India. During the Honda incident, the Japanese ambassador in India had stated that these kinds of incidents would show India in poor light. Discuss following Issues:

- 1) Understand the factors that lead to strikes and lockouts at a factory and the impact of such happenings on the employees and the company
- 2) Study HR policies adopted by organizations to prevent labor unrest at the workplace
- 3) Examine the role played by the top management in ensuring peaceful working environment
- 4) Analyze the role of external parties such as trade unions
