

NEW SCHEME**Third Semester MBA Degree Examination, Dec.06 / Jan.07**
Business Administration**Legal Environment and Industrial Legislations**

[Max. Marks:100]

Time: 3 hrs.]

- Note: 1. Answer any TWO full questions from Part-A.
2. Answer any TWO full questions from Part-B.
3. Q.NO.8 in Part-B, is compulsory.

Section - A**LEGAL ENVIRONMENT**

- 1 a. Who are the major participants in Industrial Relations? (03 Marks)
b. What is ILO? Explain its influence on legal enactments in India. (07 Marks)
c. Explain the process of collective bargaining. (10 Marks)
- 2 a. What is a Grievance in the organizations? (03 Marks)
b. Explain the stages of disciplinary procedures in Indian Industries. (07 Marks)
c. Explain in detail, the objectives, functions and problems of trade unions. (10 Marks)
- 3 a. List down the factors influenced by industrial relations. (03 Marks)
b. Explain the different steps of a Grievance procedure. (07 Marks)
c. What is Industrial Conflict? Explain the causes and how can these conflicts be resolved. (10 Marks)

Section - B**INDUSTRIAL LEGISLATIONS**

- 4 a. Define 'Wages' under payment of wages act. (03 Marks)
b. What is the use of Employees Provident Fund and miscellaneous Provisions Act, 1952? (07 Marks)
c. Explain the provisions of the Factories Act, 1948 relating to sanitary condition in a factory. (10 Marks)
- 5 a. Define the term Registered Trade Union. (03 Marks)
b. What are the rules relating to nomination by an employee under the Payment of Gratuity Act, 1972? (07 Marks)
c. Explain the important provisions of Maternity Benefit Act, 1961. (10 Marks)
- 6 a. Specify any three matters relating to standing orders. (03 Marks)
b. Highlight the major benefits provided to an insured workman under the ESI Act. (07 Marks)
c. Discuss the provisions of the Industrial Disputes Act, 1947, relating to declaration of strikes and lockouts. (10 Marks)
- 7 a. What is the object of the Minimum Wages Act, 1948? (03 Marks)
b. Specify the rules regarding the time of payment of wages. (07 Marks)
c. Clarify the salient provisions of the payment of Bonus Act, 1965? (10 Marks)

- 8 Is the employer liable to pay compensation in the following cases? Attempt the problems, giving reasons :
- A railway company provided a hostel for its workman in a certain place where the engine drivers who lived somewhere else could take rest while off duty on payment of a small charge. They could utilize their time in any way they liked. An engine driver while on the premises was injured in an accident. (05 Marks)
 - A workman goes to attend to his work riding on a bicycle and is involved in an accident in the course of the journey. (05 Marks)
 - A worker lost his mental balance as a result of an injury by accident while working in the factory and committed suicide. (05 Marks)
 - A workman suffered an injury by an accident arising out of and in the course of employment and was permanently disabled. But the accident had been caused by his willful, disobedience to an order issued for the purpose of securing the safety of workman. (05 Marks)

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NEW SCHEME

**Third Semester MBA Degree Examination, July 2007
Business Administration**

Legal Environment and Industrial Legislations

[Max. Marks:100]

Time: 3 hrs.]

Note :1. Answer any **FOUR** questions from Q-1 to Q-7 choosing atleast **TWO** questions from Section A and Section B each.
2. Q-8 is compulsory.

Section - A

- 1 a. What are the objectives of I.L.O? (03 Marks)
b. Explain the changing role of trade union movement. (07 Marks)
c. What are the main features of collective bargaining? (10 Marks)
- 2 a. Who are the main participants in industrial relations? (03 Marks)
b. Describe the provisions of Indian constitution relating to labour. (07 Marks)
c. Describe the characteristics of trade union movement in India. (10 Marks)
- 3 a. What are the causes for industrial unrest? (03 Marks)
b. Explain the model grievance procedure and grievance settlement process. (07 Marks)
c. What is the importance of domestic enquiry? Explain the procedure for a domestic enquiry. (10 Marks)

Section - B

- 4 a. What is an industrial conflict? (03 Marks)
b. Explain provisions of Factories Act regarding safety. (07 Marks)
c. Explain the methods for solving industrial disputes under Industrial Disputes Act. (10 Marks)
- 5 a. Give the meaning of minimum wages. (03 Marks)
b. Explain 'set-off' and 'set-in' under Bonus Act. (07 Marks)
c. Explain liability of employer under Workmens Compensation Act. (10 Marks)
- 6 a. What are standing orders? (03 Marks)
b. Explain the features of Maternity Benefit Act. (07 Marks)
c. What are the salient features of Employees Provident Fund Act? (10 Marks)
- 7 a. What is gratuity? (03 Marks)
b. What are valid deductions under payment of wages act? (07 Marks)
c. Explain the benefits under E.S.I act. (10 Marks)

8 Case Study :

In a factory employing 200 workers, there is an unregistered trade union A, which has membership of 120 workers and a registered trade union B which has membership of 40 workers and trade union B has political support. There are 40 workers who do not belong to any union.

Questions :

- a. Should employer recognize trade union A? If so, why?
- b. Should employer recognize trade union B?
- c. Suggest a procedure for your management to have recognized employees representatives for a workable labour relations. (20 Marks)



PART – C**8 CASE STUDY (Compulsory) :****SUPER SPINNING MILLS**

Super Spinning Mills Limited was established in 1920 in Coimbatore for manufacturing yarn and supplying it to the cotton mills in and around the city. The company was initially founded with limited capacity and over a period of one decade, it grew to become one of the largest yarn mills in Coimbatore. The founder of the company, Shri Murali Iyengas, was a follower of Gandhian philosophy and believed in a paternalistic approach towards the employees, because of which there was little scope for grievance. But after sometime, owing to the influence of politicians and freedom fighters, the trade union movement picked up in Coimbatore. Due to pressure from the workers of other units, two trade unions were formed in Super spinning mills, one with the support of the communists and the other with the support of the Indian National Congress. The leaders of these unions were very keen to increase the membership. To do so, they began to rouse the anger of the employees against the 'injustice' being done to them.

Shri Iyer, inspite of his best efforts, could not convince the unions to maintain harmonious industrial relations. The union leaders, to meet their own selfish ends, started to create industrial unrest on the most minor issues, leading to loss of production. There were strikes lasting from five days to one month over a span of two years. On each of these occasions, the management took the help of leading freedom fighters for conciliation and arbitration, and was able to reduce industrial unrest.

Questions :

- a. Critically analyse the above case and identify the problems faced by the management. (05 Marks)
- b. Do you think the management was right in redressing the grievances of the employees? (05 Marks)
- c. What could have been the best approach of the management towards proactively addressing the industrial unrest? (05 Marks)
- d. Do you suggest any other approaches for resolving the problems? (05 Marks)

CASE STUDY : (Compulsory)

A large south based fast moving consumer goods company wanted its employees to have highly specialized, focused sales training – so that the firm could achieve faster sales growth, utilizing such skills. To this end, they had hired the services of a premier sales training agency and asked 9 of its executives (mostly engineers and commerce graduates) to undergo training for a period of 15 months. The company supported the programme by meeting all the expenses charged by the agency, in addition to a special allowance for buying books, study material, stationary etc. The training was offered in the company's own premises in Chennai. The programme went on smoothly and concluded only recently. As per the recommendations of the training agency and the newly trained executives, the company is about to launch new brands into the market.

Rahul, a bright and aspiring young graduate, full of energy and ideas – for whom management had high hopes, resigned exactly after 4 months of the sales training programme. Rahul found that the training, the invaluable 6 year work experience and the newly acquired certificate presented a fairly lucrative portfolio of credentials, which he took to a large MNC. The offer from MNC seemed irresistible and Rahul had no hesitation in quitting the company that had spent nearly Rs.50,000 on his training. Rahul, on his part, had expressed a desire to stay, but he was told by the management that there were no anticipated openings at management level and he might have to wait for his turn patiently.

Rahul's manager Vikram is caught in a dilemma now. Loss of Rahul meant a ten-month set-back for the project Rahul was working on. He also felt that the extensive training Rahul had received at the company's expense was little utilized, compared to what Rahul would have contributed, had he remained with the company. Another pressing problem started Vikram in the face-many others may be waiting in the queue. Rahul had shown the other trainees that, if the firm would not recognize and reward his capabilities, other employment could be easily found.

- a. As Rahul's manager, what would you do to retain him? (05 Marks)
- b. What changes would you recommend in the company's employee development programmes? (05 Marks)
- c. Does it make sense to develop employees at company's expense, only to lose them afterwards? What policy guidelines would you advance to as to benefit trainees as well as the company? (10 Marks)

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