

NPTEL ONLINE CERTIFICATION COURSES

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Business Law For Managers

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Module-8

Lecture 36: Concept and Salient Features of Industries

KEY POINTS

- Concept and definition of Industries
- Objectives of Industrial Relations
- Types of Industries
- Importance of industries in development of society

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Industries

Concept and Definition



In the light of the judgment in Bangalore Water Supply Case, the term 'Industry' has been defined as -

'Industry' means any systematic activity carried on by co-operation between an employer and his workmen (whether such workmen are employed by such employer directly or by or through any agency including a contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes (not being wants or wishes which are merely spiritual or religious in nature

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Industrial Relations



Objectives

General Objectives of Industrial Relations are:

- **Promoting measures for securing and preserving amity and good relations between employer and workmen.**
- **Enquiring into any matter connected with or relevant to an industrial dispute.**
- **Promoting the settlement of industrial disputes.**
- **Adjudication of industrial disputes.**
- **Reference of individual disputes to grievance settlement authorities.**
- **Voluntary reference of disputes to arbitration.**

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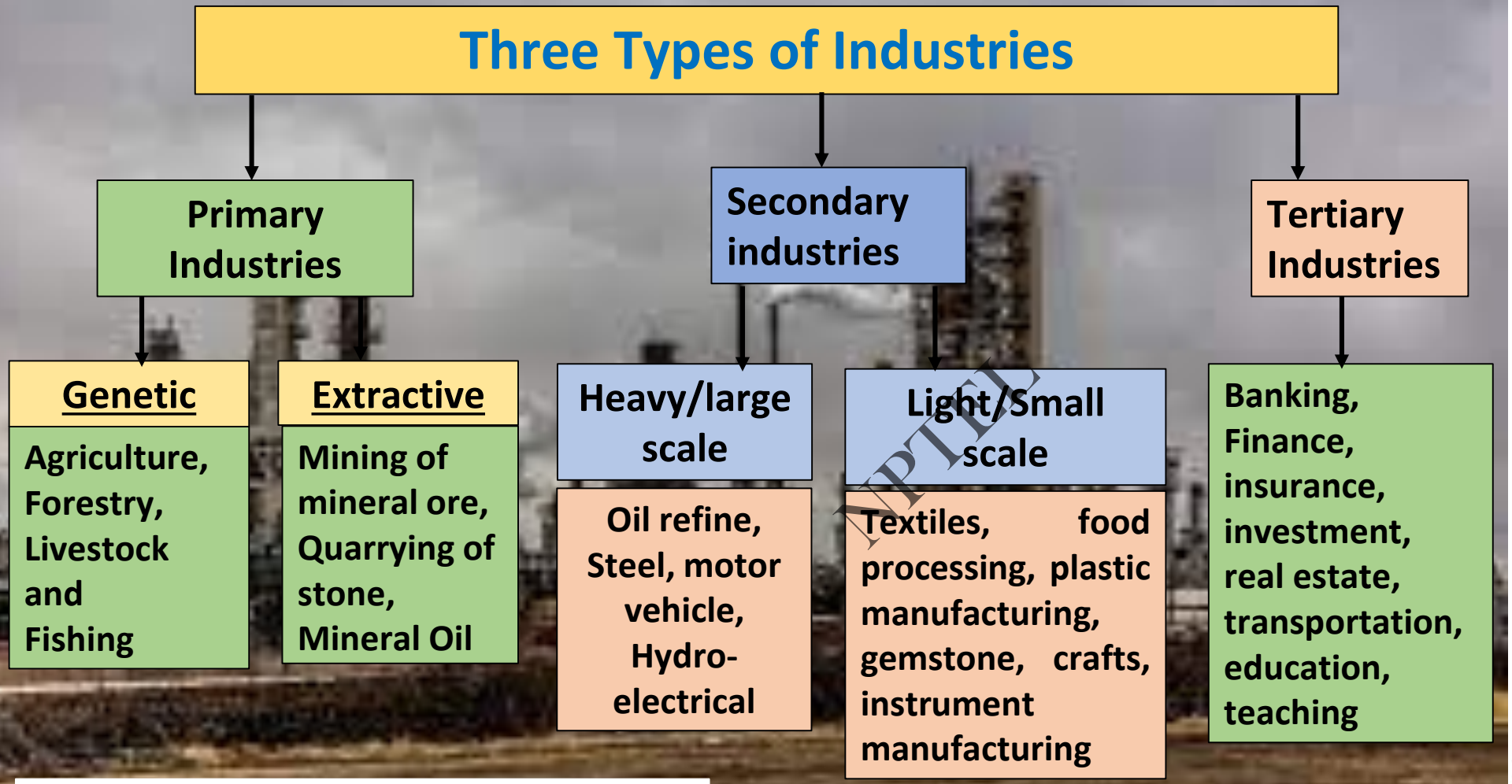
Industries

Objectives

- Prevention of illegal strikes and lock-outs.
- Compensation for lay-off and retrenchment of workmen.
- Provision for the payment of wages from the date of the award till the suit pending before courts of law is decided.
- Prevention of unfair labour practices.
- These objects centre around securing industrial harmony and social justice.

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Three Types of Industries



Source: Encyclopaedia of Britannica

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Industries

Primary Industry

- Primary industries include- agriculture, forestry, fishing, mining, quarrying, and the extraction of minerals.
- It has two categories like genetic and extractive industries

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Industries

Secondary Industry

- This industries categorically divided into heavy or large scale and light or small scale.
- Heavy industries include the oil refining, steel and iron manufacturing, motor vehicle/automobile, cement production, hydroelectrical power generation
- Light or small scale industries include textile and clothing manufacturing, food processing, plastic manufacturing, electronic and computer hardware manufacturing, gemstone cutting, craft work.

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Industries

Tertiary Industry

- This industrial category includes, banking, finance, insurance, investment, real estate services, wholesale, retail trade, resale trade, consultancy, restaurants, entertainment, repair and maintenance services, police, defense and social welfare, etc.

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Other Categories of Industries

- Domestic
- Foreign
- Heavy
- Light
- Manufacturing
- Construction
- Non-Durable
- Durable





Source: Corporate Finance Institute

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Industries

Significance of Industry

The industrial sector occupies a fundamental place in the economy and development of any country.

- Utilization of natural resources: India has plenty of natural resources utilized by large industries.
- Addressing unemployment: Development of new industries always create need of human resources and employment.
- Increases saving capacity of people: Industries contribute in a good portion with the total national income of any country, but also in the level of income and saving capacity of people in general.

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Industries

Significance of Industry

- Promotes other sectors: The industrial sector also helps with the development of other economic sectors when industries collect different raw materials to transform them.
- Core sector for development: Industrialization helps with the development of many strategic sectors like energy, transport, building, chemical, defense, etc., which play crucial role for development.
- Self dependency: Production of several key goods helps for implementation of import substitution measures that at the same time, helps to minimize dependency on foreign imports also saving a great amount of foreign exchange.

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Industries

Significance of Industry

- Industries help in modernizing agriculture.
- Industries reduce the heavy dependence of people on agriculture by providing them jobs.
- By establishing industries in tribal and backward areas, regional disparities came down.
- Export of manufactured goods expands trade and commerce and brings in much needed foreign exchange.
- India's prosperity lies in increasing and diversifying its manufacturing industries as quickly as possible.

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CONCLUSION

This part of lecture has covered the concept and meaning of industries, objectives, types of industries and importance of industries for the development of society.

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Module-8

Lecture 37 : Industrial Relation

KEY POINTS

- Meaning and definition
- Scope
- Objectives
- Salient Features
- Importance
- Different people/partis involved
- Prerequisite for good industrial relations

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Industrial Relations

Meaning and Definition



Meaning

The term 'Industrial Relations' comprises 'Industry' and 'relations'. Industry means any productive activity in which an individual is engaged and 'relations' means 'the relations that exist in the industry between the employer and his work-force.

"Industrial relation is that part of management which is concerned with the manpower of the enterprise whether machine operator, skilled worker or manager." ---------- Bethel and Others

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Industrial Relations

Meaning and Definition

Definition

"The term 'Industrial Relations' should be understood in the sense of labour-management relations as it percolates into a wider set of relationship touching extensively all aspects of labour such as union-policies, personnel policies and practices including wages, welfare and social security, service conditions, supervision and communication, collective bargaining etc., attitudes of parties and governmental action on labour matter." -------T. N. Kapoor

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Industrial Relations

Scope

- Ensuring harmonious relationship among employees, between employees and their superiors or managers.
- Managing collective relations between trade unions and management. It is called union-management relations.
- Promoting collective relations among trade unions, employers' associations and government.



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Industrial Relations

Objectives

(i) To safeguard the interest of labour and management by securing high level of mutual understanding and goodwill between all sections in the industry which are associated with the process of production.
(ii) To raise productivity to a higher level by arresting the tendency of higher labour turnover and frequent absenteeism.
(iii) To avoid industrial conflicts and develop harmonious relations between labour and management for the industrial progress in a country.
(iv) To establish and maintain Industrial Democracy, based on labour partnership, not only by sharing the gains of the organisation, but also by associating the labour in the process of decision making so that individual personality is fully recognized and developed into a civilized citizen of the country.

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Industrial Relations

Objectives

(v) To enable government control over such units which are running at losses or where production has to be regulated in the public interest.

(vi) To bring down strikes, lockouts, gheraos and other pressure tactics by providing better wages and improved working conditions and fringe benefits to the workers.

(vii) To bring the gap, by the state, between the imbalanced, disordered and maladjusted social order (which has been the result of industrial development) and the need for reshaping the complex social relationships adaptable to the technological advances by controlling and disciplining its members, and adjusting their conflicting interests.

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Industrial relations



Types

(i) Labour relations i.e., relations between union- management (also known as labour management relations);
(ii) Group relations i.e., relations between various groups of workmen i.e., workmen, supervisors, technical persons, etc.
(iii) Employer-employee relations i.e., relations between the management and employees. It denotes all management employer relations except the union- management relations;
(iv) Community or Public relations i.e., relations between the industry and the society.

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Industrial Relations

Salient Features

Parties in the Industrial Relations Activities:
Basically, two parties-workers and management are involved in the process of establishing relations. However, the government agencies regulate /maintain industrial relations.

Interactive Process:
Industrial relations arise out interactions between different persons/parties. They are supervisors, workers trade unions, employers' associations.

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Industrial Relations

Salient Features

Two-Way Communication:

IRs is a two-way communication process. One party gives stimuli, other party responds to the stimuli. So, the transaction occurring through such mechanism is either complementary or cross.

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Industrial Relations

Salient Features

Approaches to IRs:

Various approaches contribute to shape IRs pattern in industrial organizations. These approaches include sociological, psychological, socio-ethical, human relations, Gandhian, system approaches etc.

6. State Intervention:

State plays a vital role to influence industrial relations situations through its activities as facilitator, guide, counsellor for both the parties in the industry.

7. Role of Trade Union:

Behavioural manifestations of workers are mostly governed by the trade unions to which they belong. Hence, trade union's perception, attitudes towards management influence workers to form their mind set that regulates/promotes interaction with the management.

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Industrial Relations

Salient Features

Organizational Climate:

If congenial and conducive organizational climate prevails, workers feel homely, interact spontaneously, communicate boss about their problems, difficulties directly and come close to him to exchange/share the views each other in respect of work, change of job design, introduction of any operative system, process etc.

Dispute Settlement Process:

If the management personnel believe on the philosophy of settling workers' grievances/ disputes through bi-lateral negotiation process, they give much more emphasis on mutual talk, sharing responsibility, collaboration, partnership dealing and mutual trust.

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Industrial Relations

Importance

- The labourers today are more educated and they are aware of their responsibilities and rights. Management has to deal with them not merely as factors of production, but as individuals having human dignity and self-respect.
- Joint consultation between employees and management paves the way for industrial democracy and they contribute to the growth of the organisation.
- Conducive industrial relations motivate the workers to give increased output. Problems are solved through mutual discussions, workers' participation, suggestion schemes, joint meeting, etc.

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Industrial Relations

Different People/Parties involved

There might have three parties or participants or actors in an industrial unit:

1. The workers and their unions,
2. Employers and their associations, and
3. Government.

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Industrial Relations

Different People/Parties involved



Workers and their Unions:

The main purpose of trade unions is to protect the workers economic interest through collective bargaining and by bringing pressure on management.

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Industrial Relations

Different People/Parties involved



Managers and their Associations:

The employer representatives are critical for the industrial harmony between employees and management. Management should engage in constructive conversation with the Union/Worker representatives for the larger good of the organization and its stakeholders.

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Industrial Relations

Different People/Parties involved

Government

- Government plays a balancing role as a custodian of the nation;
- government exerts its influence on industrial relations through its labour policy, industrial relations policy, implementing labour laws, the process of conciliation and adjudication by playing the role of a mediator, etc.
- It tries to regulate the activities and behaviour of both employee's organisations and employer organisations.

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Industrial Relations

Pre-requisite for Good Industrial Relations

At a given point of time, the system of industrial relations is shaped by varieties of factors which include-

- **Top Management Support**
- **Developing Sound HRM and IR Policies**
- **Development of Effective HRM and IR Practices**
- **Provision of Adequate Supervisory Training**
- **Follow-Up of Results**

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CONCLUSION

This lecture session has covered various aspects of industrial relations including the meaning and definition, scope, objectives, salient features, importance, different people/partis involved and pre-requisite for good industrial relations. These are very important to all learners of this course.

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Module-8

Lecture 38 : Industrial Dispute Act

BUSINESS LAW FOR MANAGERS

Introduction

There are many instances of industrial unrest, strikes, lockouts, layoff, retrenchment, closure and industrial disputes. This causes larger economic loss to organization, workers and for the Nation.

It necessitates the need for regulatory mechanism and legal frameworks to ensure congenial industrial environment to foster economic growth for all stakeholders engaged.

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KEY POINTS

- Background
- Objectives of Industrial Dispute Act
- What is Industrial Dispute
- Strikes and lockouts
- Important causes of Industrial Disputes
- Salient features and Principles

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Background



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Industrial Dispute Act 1947

OBJECTIVES OF THE ACT

- To prevent & resolve industrial disputes
- Securing amity & good relations between workers & management, for common good

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WHAT IS INDUSTRIAL DISPUTE

Industrial Dispute :

Any dispute between :

- Employers & employers
- Employers & workmen
- Workmen & workmen

Connected with

- The terms of employment or
- Conditions of labour *of any person.*

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Industrial Dispute Act 1947

Key Aspects of the Act

- Strike
- Lockout
- Layoff
- Retrenchment
- Closure
- Collective Bargaining
- Mechanisms to resolve Industrial dispute

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Industrial Dispute Act 1947

Strike Vs. Lockout



STRIKE : A concerted and temporary cessation of work by workers with a view to furthering or protecting their interests and rights an securing a fulfillment of their specific demands.

LOCKOUT : Temporary closing of place of employment or the suspension of work or refusal by an employer to continue to employ any number of persons employed by him or her.

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Industrial Dispute Act 1947

Form of Strike

Authorized strikes
Only when union has given consent

Unauthorized strike or Wild Cat strike
Without the approval of the union

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General Strikes

- Wide coverage.
- Depending on strike confined to city, or industries

Particular Strikes

- Limited in scope , confined to single plant or few plants and to a single trade or occupation in a particular town or city.

Industrial Dispute Act 1947

Form of Strike

Work-to-rule strike:
Employees declare that they will perform their tasks strictly in accordance with the rules prescribed . may result in slow down.

Sympathetic Strike :
Conducted out of sympathy for the cause of another group whether on strike or not.

Gherao:
Involves confinement of authorities in their offices by workers to exert pressure on management to accept their demands

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Industrial Dispute Act 1947

Types of Strike based on Techniques



SLOW –DOWN STRIKE:

Workers do not stop working ,rather they slow down the pace of work



QUICKIE STRIKE :

Workers remain in their place of work, but they stop work for a brief period for few minutes or hours.



SIT-DOWN STRIKE:

Workers remain in their place of work but they do not work. Duration is long as compared to quickie.

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Industrial Dispute Act 1947

General Prohibition of Strikes and Lockouts

Sec. 23 : No person employed in any industrial establishment shall go strike in breach of contract and no employer shall declare lockout :

During the pendency of conciliation proceedings before a board and 7 days after the conclusion of such proceedings.

During the pendency of proceedings before a Labor Court , Tribunal or national Tribunal and two months after the conclusion of such proceedings.

During the pendency of arbitration proceedings before an arbitrator and two months after the conclusion [Sec. 10A (3a)]

During any period in which a settlement or award is in operation in respect of any matter covered by the settlement or award.

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Industrial Dispute Act 1947

STRIKES & LOCK OUTS

Sec. 22 : Prohibition of Strikes & Lock Outs

(1)No person employed in a Public Utility Service or any industry shall go strike in breach of contract-

- **Without giving to the employer , notice of strike, within 6 weeks before striking or**
- **Within 14 days of giving the notice or**
- **Before the expiry of the date of strike specified in such notice**
- **During the pendency of any conciliation proceedings before a CO & 7 days after the conclusion of such proceedings.**



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Industrial Dispute Act 1947

Illegal Strikes & Lockouts

A strike or lock out shall be deemed to be illegal if :

It is commenced in contravention of section 22 or 23.

In case of arbitration – strike prohibited.

A lock out in consequence of an illegal strike is NOT illegal and a strike in consequence of an illegal lockout is NOT illegal.

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Industrial Dispute Act 1947

Lay Off

2 (kkk) : Failure , refusal or inability of an employer on account of :

- Shortage of coal, power or raw material
- Accumulation of stock
- Breakdown of machinery
- Natural calamity
- Or any other connected reason to give employment to a workman whose name is borne on the muster rolls of industrial establishment and who has not been retrenched.
- Lay off results in temporary unemployment

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Industrial Dispute Act 1947

Lay Off

Application of provisions of Act

Do not apply in establishments

A) In which less than fifty workmen on an average per working day have been employed in preceding calendar month.

B) Which is of seasonal character or in which work is performed only intermittently.

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Industrial Dispute Act 1947

Important causes of industrial dispute

- Workers' demand for higher wages and allowances.
- Workers' demand for payment of bonus and determination of its rate thereof.
- Workers' demand for higher social security benefits.
- Workers' demand for good and safer working conditions, including length of a working day, the interval and frequency of leisure and physical work environment.
- Demand for improved labour welfare and other benefits. For example, adequate canteen, rest, recreation and accommodation facility, arrangements for travel to and from distant places, etc.

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Industrial Dispute Act 1947

Important causes of industrial dispute

- Psychological causes like-
  - denial of opportunity to the worker for satisfying his/ her basic urge for self-expression,
  - personal achievement and
  - Better performance may also result in labour problems.
- Administrative causes like- poor personnel management; conflicting legislative measure or government policies

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Industrial Dispute Act, 1947

Salient Features

- Any industrial dispute may be referred to an industrial tribunal by an agreement of parties to the dispute or by the Appropriate Government if it deems it expedient to do so
- An award declared the arbitrator shall be binding on both the parties to the dispute for the specified period not exceeding one year. It shall be normally enforced by the government.
- Prohibition of illegal strikes and lockouts.

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Industrial Dispute Act, 1947

Salient Features

- Compensation to the workmen in cases of layoff, retrenchment and transfer or closure of an undertaking.
- A number of authorities such as the Works Committee, Conciliation Officers, Board of Conciliation, Courts of Enquiry, Labour Courts, Industrial Tribunal and National Tribunal are provided for the settlement of industrial disputes.

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CONCLUSION

Attempt has been made to give all learners an idea about the act including- backgrounds of the act, what is Industrial Dispute, important terms, important causes of industrial dispute, objectives and applicability, salient features and principles

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Module-8

Lecture 39 : Various Authorities under Industrial Dispute Act, 1947

BUSINESS LAW FOR MANAGERS

Introduction

The machineries for industrial dispute settlement have vital role to play for settling industrial disputes as it could not be prevented on voluntary basis.

In normal business scenario, disputes between employer and employee are very common and most frequently disputes arises due to difference in wages, policy of employer, working conditions, etc. which are addressed by the appropriate authorities under the Industrial Dispute Act, 1947.

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KEY POINTS

- Statutory measures for prevention and settlement of industrial disputes
- Voluntary measures for prevention and settlement of industrial disputes
- Authorities appointed under ID Act

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Industrial Dispute Act, 1947: Statutory Machinery

With Intervention of Government

- Compulsory establishment of Bipartite Committees : e.g. Works Committee
- Establishment of Compulsory Collective Bargaining
- Conciliation and Mediation : Voluntary or compulsory
- Compulsory Investigation : e.g. Court of Inquiry
- Compulsory Arbitration or Adjudication

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Industrial Dispute Act, 1947:

Settlement without Intervention of Government

- Collective Bargaining
- Voluntary Arbitration

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Industrial Dispute Act, 1947:

Settlement Machineries Under Industrial Dispute Act

- Works committee
- Conciliation Officers
- Board of Conciliation
- Court of Inquiry
- Voluntary arbitration
- Labour Court
- Industrial Tribunal and
- National Tribunal

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Industrial Dispute Act, 1947: Statutory Machinery

Works Committee

What is the statutory requirement for constituting WC?

- **Every Industrial establishment in which: 100 or more workmen are employed or have been employed on any day in the preceding 12 months.**

Whom does it consist of ?

- **Bipartite – representatives of both Representatives of workmen equal to that of employer , Term of representatives shall be 2 years**

Which type of issues handled ?

- **Matters arising out of the day to day working of the organisation (e.g health, safety , welfare of employees , productivity , quality, cost consciousness)**
- **Consultative body**

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Industrial Dispute Act, 1947: Statutory Machinery



Conciliation Officers

- Appropriate govt. may appoint CO
- CO may be Labor officer(for less than 20 workmen), Labor Commissioner or Deputy Com for more than 20.
- CO work is to induce both the parties to the dispute to come to fair and amicable settlement.
- Mediation (negotiate on proposal made by mediator v/s Conciliation(own proposal).
- Send a report (proceedings- successful or failed) to govt. within 14 days of start of proceedings.
- After considering the govt may refer the dispute to BOC , Labour court, Tribunal or national tribunal.

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Industrial Dispute Act, 1947: Statutory Machinery

Board of Conciliation

Composition :Chairman and 2 or 4 members ,

Duties & power same as conciliatory officer:

if dispute is settled – then report to be sent to app. Govt. If not then also. Submit within 2 months

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Industrial Dispute Act, 1947: Statutory Machinery

Courts of Inquiry

- The appropriate govt may constitute COI connected with dispute.
- A COI may consist of one or more persons as members. Chairman
- Inquire into the report and submit to govt within 6 months from commencement of inquiry.
- Inquire and reveal the case.

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Industrial Dispute Act, 1947: Statutory Machinery

Labour Court

- The app govt may appoint LC – any matter specifies in II Schedule
- Composition – consist of 1 person – should be or have been a judge of HC, or for 3 years been a district judge or an add district judge, have held any judicial office in India for 7 years,
- Matters in II schedule: under standing order,
- Application or interpretation of SO, discharge or dismissal of workers, workers wrongly dismissed, withdrawal of concession or privilege, illegality of strike or lockout, all matters other than III schedule

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Industrial Dispute Act, 1947: Statutory Machinery

Tribunals

- Consist of 1 person – should be or have been a judge of HC, or for 3 years been a district judge or an add. district judge
- Matters; wages , including period, mode of payment, compensatory allowances, hours of work, intervals, leave with wages, bonus , profit, pf gratuity, shift work, classification of grades, rules of discipline, retrenchment, closure.

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Industrial Dispute Act, 1947: Statutory Machinery

National Tribunal

Central govt may refer the dispute to NT : if the matter is of national importance

The parties to an industrial dispute are required not to resort to work stoppage if dispute is pending before the Board of Conciliation or adjudication authority.

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Industrial Dispute Act, 1947: Statutory Machinery

National Tribunals

- A person shall not be qualified for appointment as the presiding officer of a National Tribunal unless he is, or has been, a judge of a High Court.
- The Central Government may, if it so thinks fit, appoint two persons as assessors to advise the National Tribunal in the proceeding before it.

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Industrial Dispute Act, 1947: Non-Statutory Machinery

Mutual agreement between management and unions

- There shall be no strike or lockout without due notice.
- No unilateral action on industrial matter.
- Industrial disputes must be settled at appropriate level utilizing existing machinery.
- Affirm faith in democratic principles.
- Bind themselves to settle disputes/grievances by mutual negotiations or through voluntary arbitration.

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Industrial Dispute Act, 1947: Non-Statutory Machinery

Mutual agreement between management and unions

- Neither party take the line of coercion, intimation or “go-slow tactics”.
- Avoid litigation, “sit-down” and “stay-in” strikes or lockouts.
- Promote constructive cooperation.
- Agree to establish mutually accepted procedure for settling grievances and do not resort to arbitrary actions.
- Educate management personnel and workers in regards to their duties, responsibilities and obligations.

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Industrial Dispute Act, 1947: Statutory Machinery

Agreement on the part of management

- Do not increase workload unilaterally.
- Discourage unfair labour practice like discrimination, coercion, victimization etc.
- Take prompt actions for redressal of grievances and implementation of settlements and awards.
- Publicize Code of Discipline in local language and display the same promptly.
- Follow laid down sequential steps in disciplinary action taking like warning, suspension, etc.
- Take disciplinary actions against officers/management staff who are found guilty of precipitating indiscipline among workers.

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Industrial Dispute Act, 1947: Statutory Machinery

Agreement on the part of the trade union

- Do not encourage physical duress.
- Do not permit rowdyism and violent demonstrations.
- Do not allow members to engage in any union activity during working hours.
- Discourage unfair labour practices such as "go-slow" damage, carelessness etc.
- Take prompt action to implement awards and settlement.
- Display at a prominent place the "code of discipline" for the knowledge of workers.
- Take actions against office bearers of unions who are found violating Code of Discipline.

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Industrial Dispute Act, 1947: Methods

Methods for Settlement and Prevention of Industrial Dispute

Collective Bargaining: Steps

- Presentation in collective manner(demands and grievances)
- Discussions, bargaining and negotiations on mutual grounds
- Signing of formal agreement or informal understanding
- In even of failure likely resort to strikes or lock outs
- Bargaining with the help of third party is called Conciliation or mediation

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CONCLUSION

The lecture session has covered various issues relating to authorities and their role which include -works committee, mediation and conciliation, investigations, conciliation officers, board of conciliation, voluntary arbitration, adjudication: Labour court, Industrial tribunal and national tribunal. These are very important for the learners so that discussion is made specifically.

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Module-8

Lecture 40 : Procedure, Power and Duties of Authorities

KEY POINTS

- Retrenchment
- Procedure and Power of Conciliation officer, Board, Courts and Tribunals
- Duties of Conciliation Officer
- Duties of Board
- Duties of Courts
- Duties of Labour Court, Tribunal and National Tribunals

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Industrial Dispute Act, 1947

Retrenchment

Termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include termination due to :

- **Voluntary retirement**
- **Superannuation**
- **Non-renewal of service contract**
- **Continued ill health**

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Industrial Dispute Act, 1947

Retrenchment

Conditions precedent to Retrenchment : No workman employed in an industry who has cont. service of at least one year, can be retrenched unless

- **served 1 month notice indicating reasons for retrenchment or wages in lieu of it.**
- **has been paid compensation @ 15 days average pay for every completed year of continuous service or any part thereof in excess of 6 months.**
- **Notice to the app. Govt.**

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Industrial Dispute Act, 1947

The Procedure

Employer : application for permission to the appropriate Govt. and its copy to the workmen

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Appropriate Govt. makes an enquiry – gives the employer & the workmen an opportunity to present their cases and decides whether the retrenchment is genuinely required .

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Appropriate Govt. passes an order granting or refusing the permission for retrenchment . Copy of the order is communicated to both employer and workmen

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Industrial Dispute Act, 1947

Principle for Retrenchment

- Last come, first go
- Unless the employer records the reason for retrenching any other workman.

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Industrial Dispute Act, 1947

Closure

- Permanent closing of a place of employment or part thereof
- Provisions applicable under chapter VA – (51 to 99 workmen)
- Sec. 25 FF A : Sixty days notice
  - Notice of the intention to close down an undertaking is to be given to the app. Govt. 60 days before the intended date of closure.
  - This condition is not applicable to undertakings :
    - employing less than 50 workmen on an average / day during the past 12 months or
    - engaged in construction of roads, bridges, canals or other construction work.
- Govt. can grant exemption from the requirement of notice period , under exceptional circumstances (e.g a major accident in the undertaking requiring it to close down)

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Industrial Dispute Act, 1947

Compensation on Closure of an Undertaking

- Every workman who has been in cont. service of not less than one year shall be paid compensation as per sec. 25 F as if he had been retrenched.

- Further, if an undertaking is closed down due to exceptional circumstances beyond the control of employer the total amount of compensation shall NOT exceed 3 months' avg. pay.

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Industrial Dispute Act, 1947

The Procedure for Closure: Sec 25 (O)

Employer : application for permission to the appropriate Govt. and its copy to the workmen : 60 days before date of intended closure

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Appropriate Govt. makes an enquiry – gives the employer & the workmen an opportunity to present their cases and decides whether the closure is genuinely required .

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Appropriate Govt. passes an order granting or refusing the permission for closure. Copy of the order is communicated to both employer and workmen

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Industrial Dispute Act, 1947

Powers of Labour Courts, Tribunals and National Tribunals

Where an industrial dispute relating to the discharge or dismissal of a workman has been referred to a Labour Court, Tribunal or National Tribunal for adjudication.

In the course of the adjudication proceedings, the Labour Court, Tribunal or National Tribunal, as the case may be, is satisfied that the order of discharge or dismissal was not justified, then, It may, by its award, set aside the order of discharge or dismissal and direct reinstatement of the workman on such terms and conditions, if any, as it thinks fit, or give such other relief to the workman including the award of any lesser punishment in lieu of discharge or dismissal as the circumstances of the case may require:

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Industrial Dispute Act, 1947

Powers of Labour Courts, Tribunals and National Tribunals

Provided that in any proceeding under this, the Labour Court, Tribunal or National Tribunal, as the case may be, shall rely only on the materials on record and shall not take any fresh evidence in relation to the matter.

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Industrial Dispute Act, 1947

Duties of Conciliation Officers

a) Where any industrial dispute exists or is apprehended, and a notice has been given, the conciliation officer shall hold conciliation proceedings in the prescribed manner where the dispute relates to a public utility service
b) The conciliation officer shall, without delay, investigate the dispute and all matters affecting the merits and the right settlement thereof and may do all such things as he thinks fit for the purpose of inducing the parties to come to a fair and amicable settlement of the dispute.
c) If a settlement of the dispute or of any of the matters in dispute is arrived at in the course of the conciliation proceedings the conciliation officer shall send a report thereof to the appropriate Government together with a memorandum of the settlement signed by the parties to the dispute.

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Industrial Dispute Act, 1947

Duties of Conciliation Officers

c) If no such settlement is arrived at, the conciliation officer shall, as soon as practicable after the close of the investigation, send to the appropriate Government a full report setting forth the steps taken by him for ascertaining the facts and circumstances relating to the dispute and for bringing about a settlement thereof, together with a full statement of such facts and circumstances, and the reasons on account of which, in his opinion, a settlement could not be arrived at.

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Industrial Dispute Act, 1947

Duties of Conciliation Officers

e) If, on a consideration of the report referred to in sub-section (*4*), the appropriate Government is satisfied that there is a case for reference to a Board, [Labour Court, Tribunal or National Tribunal], it may make such reference. Where the appropriate Government does not make such a reference it shall record and communicate to the parties concerned its reasons therefor.

f) A report under this section shall be submitted within fourteen days of the commencement of the conciliation proceedings or within such shorter period as may be fixed by the appropriate Government the time for the submission of the report may be extended by such period as may be agreed upon in writing by all the parties to the dispute.

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Industrial Dispute Act, 1947



Duties of the Board

i. Where a dispute has been referred to a Board it shall be the duty of the Board to, investigate the dispute and all matters affecting the merits and the right settlement thereof and may do all such things as it thinks fit for the purpose of inducing the parties to come to a fair and amicable settlement of the dispute.

ii. If a settlement of the dispute or of any of the matters in dispute is arrived at in the course of the conciliation proceedings, the Board shall send a report thereof to the appropriate Government together with a memorandum of the settlement signed by the parties to the dispute.

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Industrial Dispute Act, 1947

Duties of the Board

iii. If no such settlement is arrived at, the Board shall, after the close of the investigation, give report to government, for ascertaining the facts and circumstances relating to the dispute and for bringing about a settlement thereof, together with a full statement of such facts and circumstances, its findings thereon, the reasons on account of which, in its opinion, a settlement could not be arrived at and its recommendations for the determination of the dispute.

iv. If, on the receipt of a report in respect of a dispute relating to a public utility service, the appropriate Government does not make a reference to a Labour Court, Tribunal or National Tribunal, it shall record and communicate to the parties concerned its reasons therefor.

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Industrial Dispute Act, 1947

Duties of the Board

v. The Board shall submit its report under this section within two months of the date on which the dispute was referred to it or within such shorter period as may be fixed by the appropriate Government:

Provided that the appropriate Government may from time to time extend the time for the submission of the report by such further periods not exceeding two months in the aggregate:

Provided further that the time for the submission of the report may be extended by such period as may be agreed on in writing by all the parties to the dispute.

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Industrial Dispute Act, 1947

Duties of Courts

- A Court shall inquire into the matters referred to it and report thereon to the appropriate Government ordinarily within a period of six months from the commencement of its inquiry.



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Industrial Dispute Act, 1947

Duties of Labour Courts, Tribunals and National Tribunals

- Where an industrial dispute has been referred to a Labour Court, Tribunal or National Tribunal for adjudication, it shall hold its proceedings expeditiously and shall, within the period specified in the order referring such industrial dispute or the further period extended under the second provision to submit its award to the appropriate Government.

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Industrial Dispute Act, 1947

Form of report or award

- The report of a Board or Court shall be in writing and shall be signed by all the members of the Board or Court, as the case may be:

  Provided that nothing in this section shall be deemed to prevent any member of the Board or Court from recording any minute of dissent from a report or from any recommendation made therein.
- The award of a Labour Court or Tribunal or National Tribunal shall be in writing and shall be signed by its presiding officer.

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CONCLUSION

This part of lecture has been given to with am aim to build up understanding of the learners on the Procedure and power of conciliation officer, board, courts and tribunals, duties of conciliation officer, duties of board, duties of courts, duties of labour court, tribunal and national tribunal under Industrial Dispute Act.

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THANK YOU !