

ANSWER KEY

QP Code 12105

5-4-2019

Q.1 a) Fill in the blanks (8)

1. Occupier, 2. Closure, 3. 1000, 4. 15, 5. High Court, 6. 4.75, 7. Total, 8. Instalment, 9. 20%, 10. 5.

Q.1b) State True or False (7)

1. True, 2. True, 3. True, 4. True, 5. False, 6. True, 7. False, 8. False, 9. True, 10. False

Q.2 Answer the Following

a) Methods of Settlement of Industrial dispute (8)

- Works committee
- Conciliation officer
- Board of conciliation
- Court of inquiry
- Labour court
- Industrial tribunal
- National tribunal

b) Rights & liabilities of registered Trade Union (7)

- Objects on which general funds may be spent
- Constitution of a separate fund for political purposes
- Criminal conspiracy in trade dispute
- Immunity from civil suit in certain cases
- Enforceability of agreement
- Right to inspect books of trade union
- Right of minor to membership
- Disqualification of office bearer
- Change of name, Amalgamation, Dissolution, Returns, Appeal

OR

a) Retrenchment: means the termination by the employer of the service of the workman for any reason whatsoever, otherwise than as punishment inflicted by way of disciplinary action but does not include voluntary retirement, superannuation, termination on account of non-renewal, and termination due to ill health. (2)

- Procedure for retrenchment: Last come first Go (1)
- Re-employment of retrenched workmen (1)
- Retrenchment Conditions (4)
 - i) Continuous service for 1 year
 - ii) One-month notice
 - iii) 15 days Average compensation
 - iv) Notice to government

- v) Three month's notices to the employee
- iv) Permission from the competent authority
- vii) If no permission retrenchment is illegal

b) Objects on which general funds of a trade union can be spent (7)

Section 15 of the Trade Unions Act, 1926 lays down the purpose for which general fund of a registered Trade Union can be utilized, namely :

- a) the payment of salaries, allowances and expenses to office-bearers of the Trade Union;
- b) the payment of expenses for the administration of the Trade Union, including audit of the accounts of the general funds of the Trade Union;
- c) the prosecution or defence of any legal proceeding to which the Trade Union or any member thereof is a party, when such prosecution or defence is undertaken for the purpose of securing or protecting any rights of the Trade Union as such or any rights arising out of the relations of any member with his employer or with a person whom the member employs;
- d) the conduct of trade disputes on behalf of the Trade Union or any member thereof;
- e) the compensation of member for loss arising out of trade disputes;
- f) the allowances to members or their dependants on account of death, old age, sickness, accidents on unemployment of such members;
- g) the issue of, or the undertaking of liability under, policies of assurance on the lives of members, or under policies insuring members against sickness, accident or unemployment;
- h) the provision of educational, social or religious benefits for members (including the payment of the expenses of funeral or religious ceremonies for deceased member) or for the dependants of members;
- i) the upkeep of a periodical published mainly for the purpose of discussing questions affecting employers or workmen as such;

Q.3 Answer the Following

a) Health Measures (8)

- Cleanliness
- Disposal of waste and effluents
- Ventilation and temperature
- Dust and fumes
- Artificial humidification
- Latrines and urinals
- Spittoons

b) Difference between Partial & Total Disablement (7)

A PARTIAL AND TOTAL DISABLEMENT: Partial disablement reduces earning capacity, less than 100% whereas total disablement the loss of earning of the injured is 100%. Both have reference to earning capacity. These disablements are known as scheduled injuries partial disablement may be temporary or permanent in nature. Permanent partial disablement means disablement as permanently reduces the earning capacity. in total disablement workman becomes incompetent for all work, loss of earning capacity is 100%.

OR

a) Welfare Measures (8)

- Washing facilities
- Storing and drying facilities
- Facilities for sitting
- First aid appliances
- Canteens
- Shelters, restrooms and lunch rooms
- Crèches
- Welfare officers

b) Nature of employer's liability (7)

Defenses of the employer – Prior to passing of the Act, the employer was liable to pay compensation only if he was guilty of negligence. It includes direct & indirect injury.

Following are the defenses:

- The doctrine of Assumed Risk
- Doctrine of Common Employment
- The Doctrine of contributory Negligence

Q.4 Answer the Following

a. Employee Deposit linked Insurance scheme (8)

1/8/76. Applicable to all members. Obtained through LIC Policy. Contribution 0.5% paid from the wages. Assured benefit is payable to the nominee after the death of the member. Maximum amount payable 3, 60,000/-

b. Different benefits under ESI Act (7)

- Sickness benefit
- Maternity benefit
- Disablement benefit
- Dependents benefit
- Medical benefit
- Funeral expenses

OR

a) Contribution under PF Act (8)

Answer: Contribution by the employer & employee. All the employees except the excluded one must be registered. 12% of the basic wages, DA & Retaining allowances if any. Rate of contribution 10% in case of sick establishment. If the employee desires can contribute more than the limit. Employer need not pay more than 12 %. Contribution shall be to the nearest rupee. Employee's contribution is deducted & employer's contribution is in addition. Any further deduction shall be with the consent of the inspector.

b) Obligations of employer under ESI (7)

- Register the factory & obtain the code number
- Obtain declaration form & file the declaration form
- Employer & employee contribution
- Furnish the returns within 30 days from the payment
- No deduction of employer's contribution of 4.75%,
- To inform the ESI within 24 hours from the time of accident
- Provide adequate leave to the employee in case of accident

- Not to dismiss or discharge during the period of treatment of confinement

Q.5 Answer the Following

a) Deductions under Payment of Wages Act 1936 (8)

- Fines
- Deduction for absence from duty
- Deduction for recovery of advances
- Deduction for recovery of loans
- Deduction for recovery of loans granted for house building
- Deduction for income tax
- Deductions for payment to co-operative societies
- Deduction for payment to insurance premium
- Deduction for recovery of losses

b) Available Surplus & Allocable Surplus (7)

Allocable surplus: 2(14) Company not made the arrangement in the prescribed manner under the income tax for the declaration & payment of the dividends in India. 67% of the available surplus in an accounting year.

Available surplus: Available Surplus' is the residue after all prior charges are deducted from gross profits. The prior charges include depreciation, income tax and other taxes, return on reserve and surplus, return at the actual rate payable on the preference share capital etc. Bonus is payable from Available Surplus.

OR

Write Short Notes On (any 3) (15)

a. Nomination under Gratuity Act

Nomination: within 90 days after the commencement of the rule or within 30dys from the completion of 1 year from date of the rule. More than one nominee it shall be distributed to all equally. Shall be in favour of family member & no family an outsider. Can be changed at any time. Change can be made only after giving notice in writing.

b) Strike under IDA

- Strike means cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal under a common understanding, of any number of persons who are or have been employed to continue to work or to accept employment.
- Different types of strike: Stay in, Sit down, pen down, tool down, Sympathetic strike, hunger strike, Go slow strike, Work to rule strike

c) Manufacturing Process

Section 2 (k) "manufacturing process" means any process for :

- i) making, altering, repairing, ornamenting finishing, packing, oiling, washing, cleaning, breaking up, demolishing, or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal or;
- ii) pumping oil, water, sewage or any other substance; or
- iii) generating, transforming or transmitting power; or
- iv) composing types for printing by letter press, lithography, photogravure or other similar process or book binding; or
- v) Constructing, reconstructing, repairing, refitting, finishing or breaking up ships or vessels; or
- vi) preserving or storing any article in cold storage.

Extraction of salt from sea water and bidi making have been held to be a manufacturing process. Whereas, converting high voltage electricity into low voltage is not a manufacturing process.

d) Calculation & Amount of calculation under workmen's Compensation Act

The amount of compensation payable by the employer shall be calculated as follows :

a) In case of death.	50% of the monthly wages × Relevant Factor or [1,40,000/-], whichever is more.
b) In case of total permanent disablement specified under Schedule I.	60% of the monthly wages × Relevant Factor or [1,20,000]; whichever is more.
c) In case of partial permanent disablement specified under Schedule I.	Such percentage of the compensation payable as is the percentage of the loss in earning capacity
d) In case of disablement not specified under Schedule I.	Such percentage of the compensation payable as is proportionate to the loss of earning capacity (
e) In case of temporary disablement (whether total or partial)	A half-monthly instalment equal to 25% of the monthly wages, for the period of disablement or 5 years, whichever is shorter.

e) Employee Pension Scheme

Introduced in the year 1995 – Minimum 10 years of contributory service is required for entitlement of pension – contribution is employer's share 8.33% - Central Government contribution of 1.16% of the wage of employees – Scheme has got payment of monthly pension on attaining age of 58 - Permanent total disablement - Death during service – Children pension – orphan pension

