

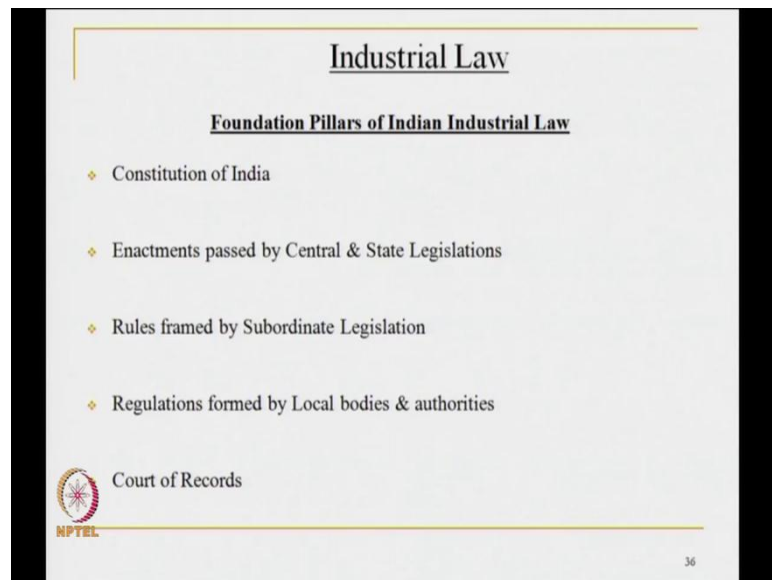
**Organisation of Engineering Systems and Human Resources Management**  
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**Module - 3**  
**Human Elements of Functioning Organizations**  
**Lecture - 38**  
**Indian Industrial law and Managing Industrial Relations (Contd.)**

Let us begin law in any environment provides the basic frame work of interaction between individuals, between individual and groups, between groups, within groups and you can substitute the word groups for organizations and vice versa, and there you have the all pervasiveness of law.

So, when you are trying to take a look at basic frame work of organizing for engineering business and human resources management. A brief engagement with concerns of industrial law is inherent. Law is always contextual; whereas physics and chemistry may have a global element just as there are laws of physics and chemistry which have global applications, but the applications of these principles are always contextual. And therefore, legally this is always contextual and an Indian industrial law would be very often, very different say from the Chinese industrial law or the Japanese industrial law; though understandably, they will be some common elements of universal type. We are going to spend some time trying to understand the foundations of industrial law, the applications of industrial law and the significance it has for managerial action.

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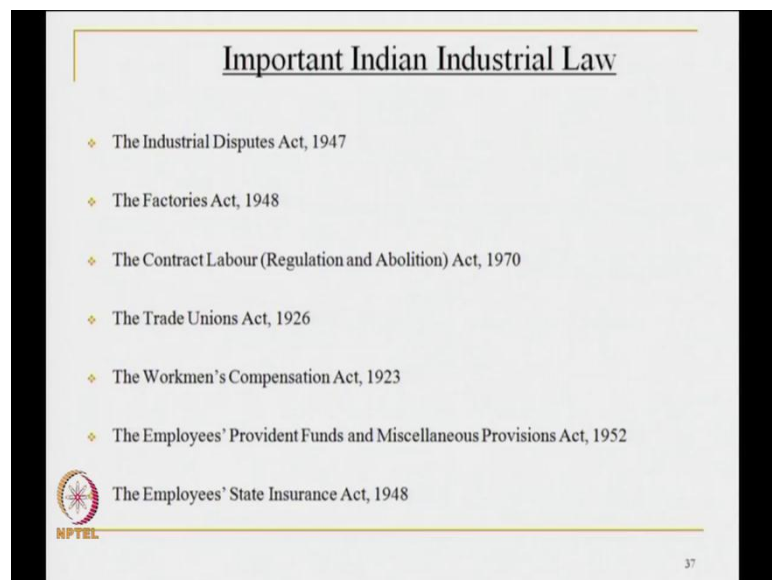
In fact, industrial law has the constitution of India as its pillar. Everything in India, when it comes to the legal dimension originates from the Indian constitution which is the foundation of all legal frame work of all civil society of all that is called significant in human action from the organized decision making systems which is essential to any collective experience. The Indian industrial law is no exception therefore, it begins with a constitution of India, but not even the Indian constitution by looking bulky as it may be can possibly legislate for all situations.

Therefore, enactments have to be passed by the newly constituted body and newly constituted body operates under the frame work of the Indian constitution, because there are items which are remitted to the central government for legislation and there are items which are remitted to the state legislatures for legislation. In fact, one of the central acts of the parliament and assembly is legislation; in other words keep the society civil. Make sure the social contract under which civil society is preserved and operates; then rules are framed by subordinate legislation.

So, there is quite sequence because first we have the constitution; then you have the enactments of this center and the state; then the rule frames by subordinate by legislation and matter doesnt end there; there are specific items remediate to local bodies and authorities and they frame the regulations. So, you have got regulations, rules, enactments, constitution, and quite a hierarchy of a frame work of civil society. All those affects,

industrial operations and I would have almost said in industrial action, but industrial action has strong connotations which are not intended in this presentation to be covered. And is if that was not enough; there are court records which are sighted as precedents and very often become the basis for legal action and direction; be that is it may.

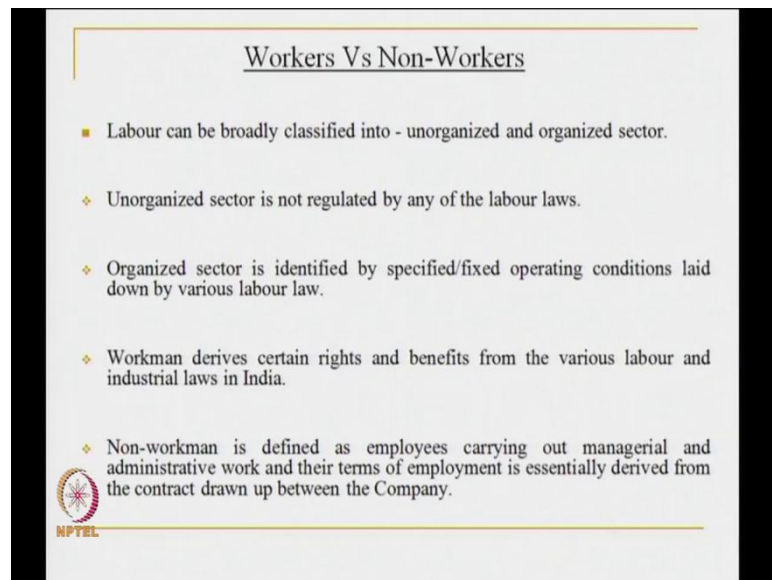
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We now look into what could be called the extension of the foundation pillars into some of the important industrial laws. Of course, it is not possible in one sheet or at one place to list all the important industrial law. But without claiming even to provide a basic frame work of industrial law in terms of itemization or significant. One has to highlight some of the key aspects and the key aspects have to do with industrial disputes were the act of 1947; the factories act of 1948; the contract labor law which deals with regulation and abolition act of 1970; and of course there are certain acts which go back to pre independent period still having validity like the Indian trade unions act; the workmen's compensation act; the employees provident funds and miscellaneous provisions of nineteen fifty two; the employees state insurance act 1948.


Here we have a brief listing of seven acts pre-independence, post-independence and definitely not in a chronological order, but from names itself you will be able to account. How this is fundamental? To the very act of running the civil society, regulate management action and forcing assemblance of frame work of reference for production, services, even in manner which they are to be handled in terms of precedents.

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Workers Vs Non-Workers

- Labour can be broadly classified into - unorganized and organized sector.
- ❖ Unorganized sector is not regulated by any of the labour laws.
- ❖ Organized sector is identified by specified/fixed operating conditions laid down by various labour law.
- ❖ Workman derives certain rights and benefits from the various labour and industrial laws in India.
- ❖ Non-workman is defined as employees carrying out managerial and administrative work and their terms of employment is essentially derived from the contract drawn up between the Company.

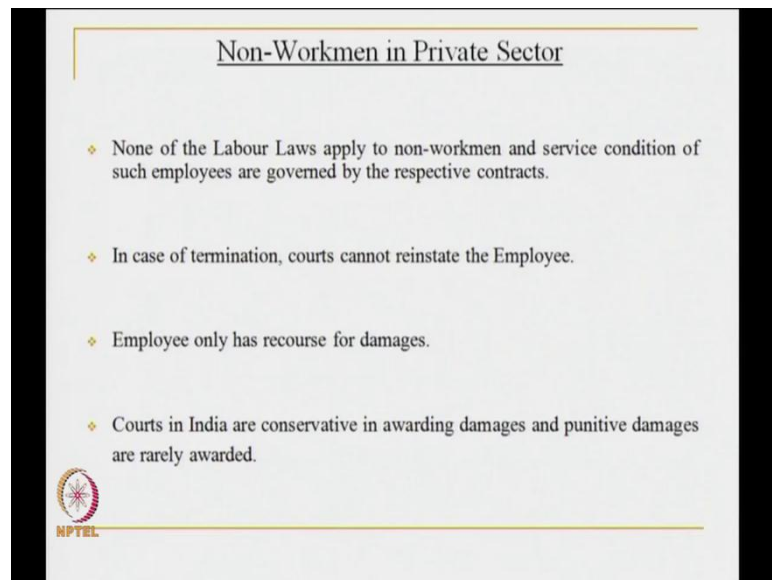
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And the story then roles on to look at the workers verses the non workers situation in industrial law. Given the kind of situation in which we are placed where we have to cover a whole universal a limited period of time, it is my choice to familiarize you to with the nature of industrial law in India; under certain captions one of which is workers verses non workers. Labour can be broadly classified into unorganized and organized sector. Unorganized sector is not regularly by any of the labour laws.

Now, this is very important; since such a large part of the Indian work force is in the unorganization sector; and unorganized sector is an important contributed to national productivity. Labour can be broadly classified into unorganized and organized sector, but there are no labour laws for unorganized sector and that is where a lot of action is deficient on the legal frame. Unorganized sector is identified by specified fixed operating conditions laid down by various labour laws, but unorganization sector does not have this benefit.


Workmen derives certain rights and benefits from the various labour and industrial laws in India; and a non-workman is defined as employee carrying out and administrative work and their terms of employment is essentially derived from the contract drawn between them and the company. So, now, we are in touch with the classical definition of the workmen and the non-workmen in the organized sector. The workman in the organize sector are essentially the blue colored workers; the non-workman are the managerial cadre and they are governed by the contract.

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Non-Workmen in Private Sector

- ❖ None of the Labour Laws apply to non-workmen and service condition of such employees are governed by the respective contracts.
- ❖ In case of termination, courts cannot reinstate the Employee.
- ❖ Employee only has recourse for damages.
- ❖ Courts in India are conservative in awarding damages and punitive damages are rarely awarded.

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None of the labour laws are applied to non workman. So, it is interesting; labours laws do not apply to the unorganized sector and labours law do not apply to the non-workman. And service conditions of such employees are governed by respective contractors what I have heard me say, but gradually theses boundaries are changing. There are elements which have been extended to cover the unorganized sector also and that is gradually being pushed into many new areas.

For example, the minimal wages act has in many cases been extended to cover where a workplace need not be necessarily covered by world industry; and leave rules have in certain states been extended to cover even the domestic servants, but it is not the legislation and there legal frame work alone which operates a situation. What operates this situation is likelihood of the detection of violation? The strength of the monitoring process and the ability of the administering system to bring the recalcitrant individuals to heels and do something about it.

It is there that one gets the feeling, which many things may exist in on paper. It is the operational dimensional of that paper which has laid to acquit many people subscribe to India is an over legislated under administrate situation. Perhaps, the under administration is the fact of the over legislation which has taken place and legislation after legislation has been enacted without paying attention to the delivery channels the delivery vehicles and

the monitoring components of that law. People not have been prepared to administrate that law; assistance not has been put in place which will have sensors to track the deviations.

A mechanism for bringing to heels people who violate the law is not available. And if there are all these deficiencies then it stands to reason that it will be not possible to have a practice of legal operations which creates confidence, unless the delivery vehicles and channels of governance carry conviction to the legal process. While talking of the workers and the non workers therefore, one has to keep in mind; the perspectives of the ground conditions before understanding the significance of industrial law; the workman also derives certain rights and benefits from various labour and industrial laws in india just as the non worker I have said goes back to a contractual relationship with the employer.


Now, which then brings for another classification just as there workers verses non workers; there are non workman in the private sector and the non-workman in the private sector have their own issues. None of the labour laws applied to non workman and service conditions of such employees are governed by the respective contracts. So, the non workman in the private sector are even more wonder able than non workman in public places.

This is the dimension of industrial law which needs thought and at the level of a principle the question can be asked; do we need legislation on this? Is the present situation is good enough or indeed? Are the abrasions too small to even marital able registration? So far as the workman in the private sector is concerned, the employee only has the recourse for damages; and in more cases that drawn that this does not come, because the contract is drawn up in a way which is highly biased in favor of the employer and the employee is left to fend for himself; because at the inertial level of the contract he has given or heeled such rights to the employer. Thus very often happens because of the need for employment; the pressures for employment; and people acceptance and conditions which ordinarily they would not have accepted. If the choice of employment was wide, courts in India are conservative in awarding damages and punitive damages are rarely awarded.

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Drafting of Employment Contracts in India Context

- ◆ Identifying the workmen and employees not covered under definition of workmen, respectively.
- ◆ Considering local laws of the State.
- ◆ Issue appointment letters which clearly define the employment terms and conditions.
- ◆ Employment contracts should be put in place with clauses for wages, benefits, non-compete, confidentiality, term, termination etc.
- ◆ The terms and conditions of the employment should be clearly explained to employees before execution and should be drafted without any ambiguity.

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The drafting of employment contract in Indian context is having considerable scope for improvement; identifying the work done and employees not covered under definition of workman respectively careered situation of exception, because they are with reference to the local laws of the state. And specially when employed by an all india organization contracts almost always have the cause which says dispute in if any will be considered in courts where they headquarters of the employer is. Now, if the employee is in Calcutta and legislation on a dispute; the adjudication on a dispute; the operation of a resolution in a dispute can be only in Bombay where the employers offices headquarter then you can clearly see that the employee is in an unequal state to play even get into the battle let alone fight the battle.

Therefore, local laws of the state where the headquarters says and where the employees made to agree all the adjudication will take places loaded against the interest of the employee; the issue, appointment letters which clearly define the employment terms and conditions. Again have a huge buy as favor of the employer, the employment contract should be put in place with clauses for wages, benefits, non-complete causes, confidentiality causes, terms, terminations and what have be.

In terms and conditions of an employment should be clearly explained to the employees before execution, and should be drafted without any ambiguity and this is the beautiful sentence. There are any number of situations where the person signing the contract has

even to certify that the sub clauses were explained to his satisfaction. Especially, those clauses with insurance and whatever else which have a risk element, and these are rushed through with signatures.


Now, these behavioral elaborations of legal situations in actual operations do a huge damage to the actual strengthening of the legal frame work for operational safety of the employee, but as of now this does not seem to worry to any one in particular and non lobby groups seem to have taken it up with any degree of significance.

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Industrial Law and IR Dynamics in India

- ❖ Labour is a subject in the concurrent list of the Indian Constitution. The labour law varies from state to state, creates difficulty IR managers.
- ❖ Dependence on contract labour is increasing at phenomenal rate.
- ❖ Difference in wages of the regular employees and contract labour is a major issue of concern and is one of the main causes for several disputes.
- ❖ The amendments in Contract Labour (Regulation & Abolition) Act 1970 could really cover the dynamism of Contract Labour issues.

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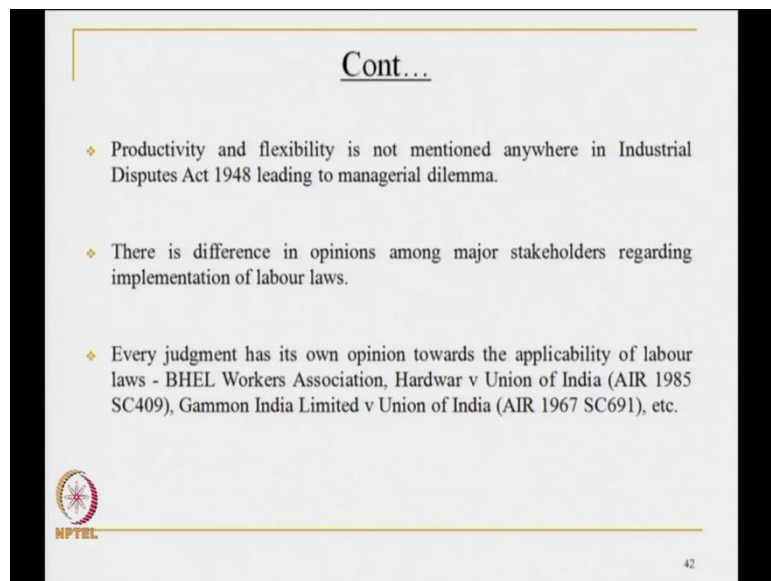
Industrial law and IR dynamics are yet another component to which I would like to draw your attention. Labour is subject in the concurrent list of the Indian constitution which operationally means that both they are state and the center can legislate upon labour as a subject, but in case of conflict between the legislation of the state and legislation at the center, the legislation of the center will prevail which is why labour is a subject in the concurrent list of the Indian constitution is a statement to which really shows that the union governments should it choose to have its way.

The labour law varies from state to state and therefore, creates difficulties for IR managers. The IR managers are there for not really in a position to be masters of all the different laws and if the IR managers themselves are not in position to be a master of all different laws of different states to which they may be taken on transfer. What do you think will be polite of the worker who has no legal background, no understanding and officiously no records



because of geographies for a solution? Dependence of contract, labour is increasing a phenomenal way; and out sourcing is becoming the mode. As of now, there is no propensity either to curve it or to change it. Difference in wages of the regular employees and contract leva is a major issue of concern as is one of the main causes for several disputes. The amendments in contract labour regulation and abolition act of nineteen seventy could really cover the dynamics of contract labour issues and it is hoping that it will be widener to be real enough.

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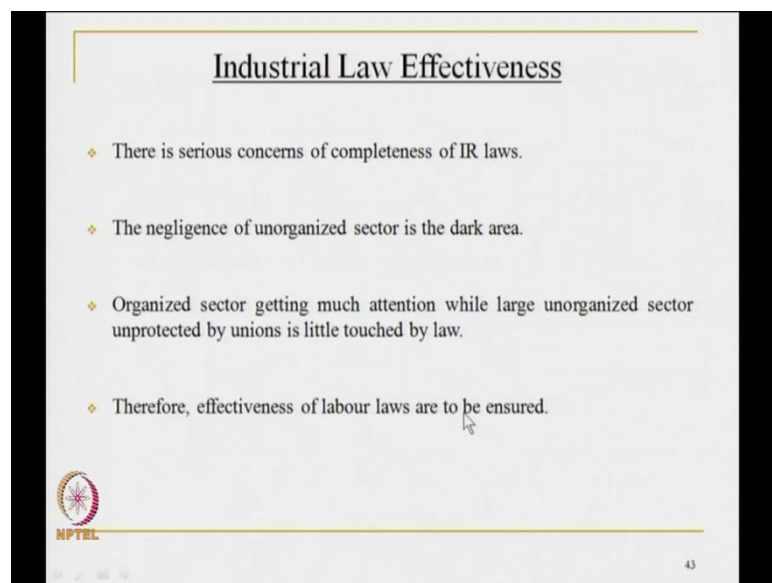
The slide is titled "Cont..." and contains three bullet points. The first bullet point states that productivity and flexibility are not mentioned in the Industrial Disputes Act 1948, leading to a managerial dilemma. The second bullet point notes a difference in opinions among major stakeholders regarding the implementation of labour laws. The third bullet point mentions that every judgment has its own opinion on the applicability of labour laws, citing BHEL Workers Association, Hardwar v Union of India (AIR 1985 SC409) and Gammon India Limited v Union of India (AIR 1967 SC691), etc. The slide also features the NPTEL logo in the bottom left corner and the number 42 in the bottom right corner.

Productivity and flexibility is not mentioned anywhere in industrial disputes act leading to managerial dilemma. Now, if productivity is not even mentioned any disputes act, what kind of surging forth can be seen as a part the organize sector? In fact, even if you look at the public statements of significant public figures everything is talked about; of course, popular works of secularism, resolution, equity, popular removal, socialism, and justice are all to be found, but when you look for words like productivity and efficiency, one hardly comes across any pronouncement that level.

Now, if the public consciousness does not have it in itself to the stoked by this word to expect that suddenly this concept becomes all permeable and all important in the functioning of the organization is a little bit of all expectations, and whats true up of public products is true of the legal situation. There is difference in opinions among major stakeholders regarding implementation of labour laws.

And this does havoc to having justice of labours relation as the deliverables of labour laws. Now, it well might be argued that everything in law in subjective differences in opinion, but it is significant that differences of opinion should not detract from the actual merits of the administration of the law. Every judgment had its own opinion to whats its applicability of labour laws - BHEL Workers Association, Hardwar verses Union of India (AIR 1985 SC 409), Gammon India limited verses Union of India (AIR 1967 Supreme Court 691) etcetera are nearly indicators of what I am trying to illustrate which really brings us to a very important question.

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What is the effectiveness of industrial law and in the back drop of what has been elaborated; I do not think much needs to be set which creates one of the major concerns of Indian industrial growth, because unless industrial law is respect even accessible, administered by enlighten people the frame work of industrial productivity will forever remain sub optimal. There are serious concerned of even the completeness of industrial law; it is about time.

Concerted steps were initiated towards making the industrial laws complete and to the extent humanly possible exhaustive. The negligence of the organize sector is clearly a dark area of industrial law, but that is not the only dark sector; there are dark sectors elsewhere not the list of which has to do with kind of gaps which the manner of contracting throws up with the non-workman; the kind of variations which exists from one state to another


and above all the variances interpretation and application of industrial law. The organize sector it is true get much attention while large organize sector unprotected by unions is little touch by law, but then the proposition that the organize sector which has the prime attention of the legal operations is a heaven of peace of productivity is simply not true. The organize sector seems to be suffering from over legislation if anything else; and this over legislation has its own problems. In fact, they entire trust of labour is to bring to shape the over legislation in the organize sector.

So, if one were to use a picturus analogy, in one dimension of industrial law there is flooding an officiously that needs to be clean and in another aspect of industrial law there is what could be termed as the parched lay of the land. So, that is fatedly impossible to have any more of administration of justice, because there is no frame work to provide justices. So, how does one ensure the effectiveness of industrial law, labour law and more?

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- ◆ Apart from the issue of 'legal solution' there is the issue of 'social solution'.
- ◆ Another concern is the deterrent effect of legislative provisions.
  - ◆ For example, many experts suggested changes in the ID Act to give flexibility to employers to respond to market forces.
- ◆ Role of the state in containing industrial conflict, strengthening unionism, collective bargaining, and establishing industrial democracy has not been laudable.

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Apart from the issue of legal solution there is the issue of social solution. And in India, the social dimension often tends to overtake the legal dimensions; another concern is the deterrent effect of legislative provisions. For example, many experts suggested changes in the id act to give flexibility to the employees to respond to market forces. How it happen? This is a story which has be dealt with else role of the state it containing industrial conflict, strengthening unionism, collective bargaining and establishing industrial democracy has not been something right laudable. The biases of governor patterns of this state sometimes

suffering from sharp fluctuation only widen the gap and leave the desire for correction more emphatic than ever.

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- ❖ There are demands for reforming labour law and withdrawal of state's presence in IRS.
- ❖ The labour law reform has been in the air for quite some time; several attempts have been made in vain.
- ❖ Indian IRS is a classic case of inaction. Major and minor committees have made recommendations; but nothing concrete has emerged so far.
- ❖ When 'parliament is passive' then judiciary boldly took the initiative.

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There are demands for reforming labour laws withdrawal of states presence in IRS. The labour law reform has been in the air for quite some time; and several attempts have been made in vain. Indian IRS is a classic case of inaction. Major and minor committees have made recommendation, but nothing concrete in a sustained manner to outline the future directions of growth has happened. When parliament is passive then judiciary boldly took the initiative, but that leads to that allegation of judicial activism which is another story.

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The slide is titled "Industrial Law and FDI in India" and contains the following text:

- ◆ India today allows foreign direct investment in mostly all sectors and remains one of the most attractive emerging markets.
- ◆ A foreign investor whilst making investment in India has to make itself aware of the complex labour laws in India.
- ◆ The Indian labour laws place considerable restrictions on the freedom of an employer to reduce work force, dismiss its employees, close down factory etc.
- ◆ In order to understand the nuances of Employment / Labour & Industrial law it would be pertinent to differentiate between the law applicable to executive & management (white collar) job and workmen (blue collar) job.

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I would like rather to move on industrial law and FDI in India, because FDI is to a more fashionable than perhaps any other thought; whether it is more important than any other intervention is a matter of strong debate, but the fact is where the physical defecate of the country is so large and so under debited, and even less action to seek money through FDI would require an industrial law frame work which has to be hugely biased in favor of the investors of foreign origin that one could almost which faced with a situation where the national interests themselves would need special provenance to be protected.

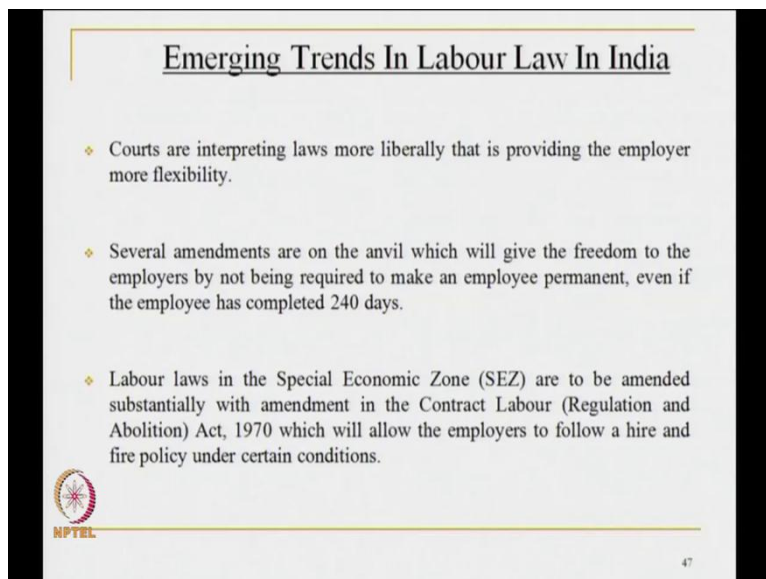
In the last few weeks, the cap of industrial investment scenario has been hugely raised in certain factors. What we need to get into that? What we have to focus is on the industrial law component which inspires confidence of foreign direct investors or perhaps pushed them off? We have been a line foreign direct investors in almost all sectors in very attractive way and we have been progressively rising it; in certain cases it has got up exponentially.

The foreign investors while making investments in India has to make itself aware of the complex labour laws in India and this must evoke confidence. This obviously will not happen, if laws not just labour laws - financial laws, taxation laws and what laws have you are amended with respective effects as happened in the past; be that as it may. That is important to realize that legal frame work is the frame work to which all contending all part is appeal and all contending part will have to recognize that making it rational is in

their own interest. The Indian labour laws place considerable restrictions on freedom of employee to reduce work force. Now, this is something which know FDI, person would be impressed with if he cannot control the strings of employment it is very difficult for him to be effective.

In order to understand the nuances of employment or even before coming to that the nuances of employment or a circulate the right to close down factories of grossest even here there are efficiencies; what to talk of nuances, but the labour and industrial laws would be pertinent to differentiate between the law applicable to executive and management white collar job and workmen blue collar job. So, you see the concern of distention between the white collar and the blue collar is back. There is a need to think through on how you recover the workman in the legislative frame, but how do you provide justiciable frame work of equity commonsense and of natural law justice to the non-workman.

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Emerging Trends In Labour Law In India

- ◆ Courts are interpreting laws more liberally that is providing the employer more flexibility.
- ◆ Several amendments are on the anvil which will give the freedom to the employers by not being required to make an employee permanent, even if the employee has completed 240 days.
- ◆ Labour laws in the Special Economic Zone (SEZ) are to be amended substantially with amendment in the Contract Labour (Regulation and Abolition) Act, 1970 which will allow the employers to follow a hire and fire policy under certain conditions.

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The emerging trends of labour laws in India are worth watching, because they are interesting proactive and have an operation beyond immediate relevance. The fact of the matter is courts are interpreting laws are more liberally and they are providing to the employer more flexibility. Several amendments are on the anvil which will give the freedom to the employers by not being required to make an employee permanent, even if the employee has completed two hundred and forty days, but this is still within the domain

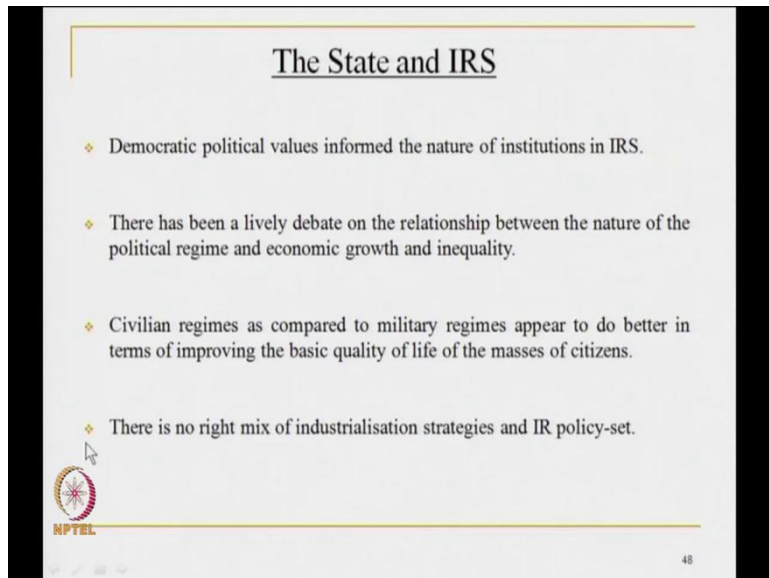
of conflation and there is a time frame and there are processes which have to be covered before becomes law; it is another matter that somebody made debate even there. Good sense or the constructive dimension of this dimension of operation, but the fact remains that movement in the industrial laws on slow and very often in directions which are not always clear to the cycle.

Labour laws in the special economic zone are suppose to be amended substantially with amendment in the contract labour regulation and abolition act on 1970 which will allow the employers to follow a hire and fire policy under certain condition, but this again is in the domain of the possibility with whenever election happens and whenever parliamentarians resolve I think it is only fair and proper that everyone should know; that all the pending legislation before that parliament than can dissolve. And therefore, when the new parliament convince the processes have to be started Renovo and that itself requires a large time constant; that large time constants is difficult to control difficult to manipulate and times even difficult to negotiate.

The reason is the nature of parliamentary action has been distorted through many instruments. These instruments may be one of taking records to ordinance where a legislation was feasible or perhaps, using certain techniques of this ruction on the floor of a house which do not really add value to discussion and indeed do nothing more then throw the precedence out of gear.

And of course, while these two extremes of hundred and eighty degrees situation will operate settle interpretation by statutory in combats oppositions in a way designed to further react of governess mix one wonder. How far the balance of par between the executive, the legislator and the judiciary is been capitalized by people who are active participated in process and how far this delicate balance of power amongst a three wings of governess which was suppose to be one of the corner stones of the constitution is today in danger of been tilted one way another.

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The slide is titled "The State and IRS" and contains four bullet points. The NPTEL logo is visible in the bottom left corner, and the number 48 is in the bottom right corner.

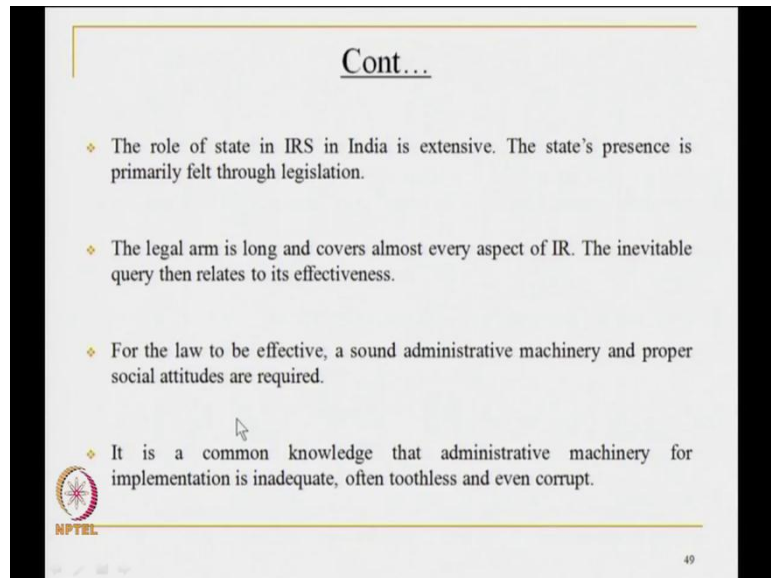
- ❖ Democratic political values informed the nature of institutions in IRS.
- ❖ There has been a lively debate on the relationship between the nature of the political regime and economic growth and inequality.
- ❖ Civilian regimes as compared to military regimes appear to do better in terms of improving the basic quality of life of the masses of citizens.
- ❖ There is no right mix of industrialisation strategies and IR policy-set.

The state and the IRS rezones their own issues - Democratic political values informed the nature of institutions in IRS; this has gradually acquired strange sheet. There has been a lively debate on the relationship between the nature of political regime and economic growth and inequality, but the debate remains unresolved, and industrial law as it exists today may have to be ported in pushing debates in one direction and another, but the ground conditions do not see to be leading to it.

Civilian regims are compare to military regimes to do better in terms of improving the basic quality of life of the masses of citizens, but the debate stands basically between comparison not so much of military regimes, but what is happening in India and what is happening in different kind of governess system in china, and it is officious that china as governess process is showing dramatic results. There is no right mix of industrialization strategies and IR policy-set. They are always contextual; they are always time bound and they need lot of wisdom to think through.




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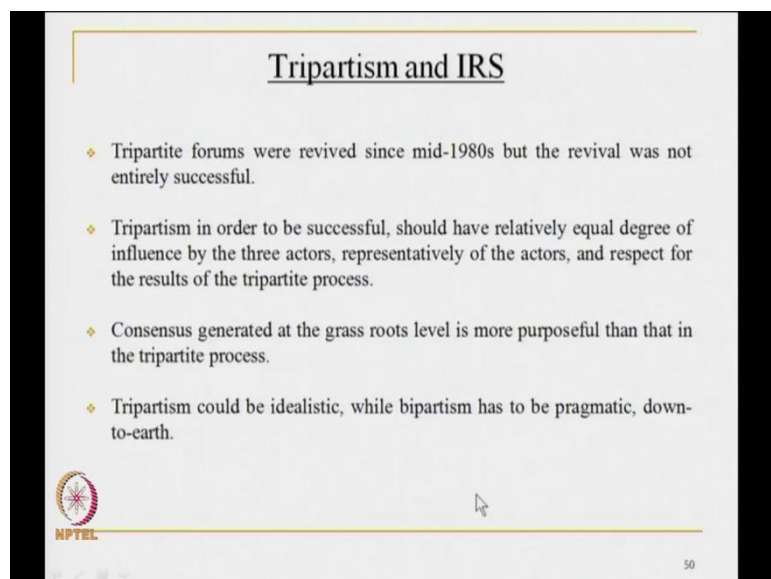
- ❖ The role of state in IRS in India is extensive. The state's presence is primarily felt through legislation.
- ❖ The legal arm is long and covers almost every aspect of IR. The inevitable query then relates to its effectiveness.
- ❖ For the law to be effective, a sound administrative machinery and proper social attitudes are required.
- ❖ It is a common knowledge that administrative machinery for implementation is inadequate, often toothless and even corrupt.

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The role of state in IRS in India is extensive. The state's presence is primarily felt through legislation. The legal arm is long and covers almost every aspect of IR. The inevitable query then relates to its effectiveness. For the law to be effective, a sound administrative machinery and proper social attitudes are required and this could not be emphasized enough. It is common knowledge that the administrative machinery for implementation is inadequate, often toothless and even corrupt which brings us to the issue of tripartism and IRS.

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Tripartism and IRS

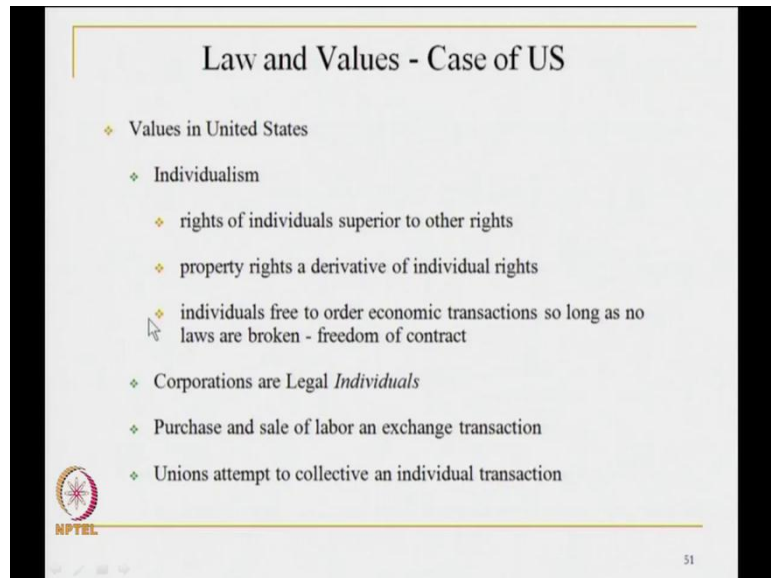
- ❖ Tripartite forums were revived since mid-1980s but the revival was not entirely successful.
- ❖ Tripartism in order to be successful, should have relatively equal degree of influence by the three actors, representatively of the actors, and respect for the results of the tripartite process.
- ❖ Consensus generated at the grass roots level is more purposeful than that in the tripartite process.
- ❖ Tripartism could be idealistic, while bipartism has to be pragmatic, down-to-earth.

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Tripartite forums were revived since mid-eighties, but the revival was not successful. Tripartism in order to be successful, should have relatively equal degree of influence by the three actors, representatively of the actors, and respect for the result tripartite process. Consensus generated at the grass roots level is more purposeful than that in the tripartite process.

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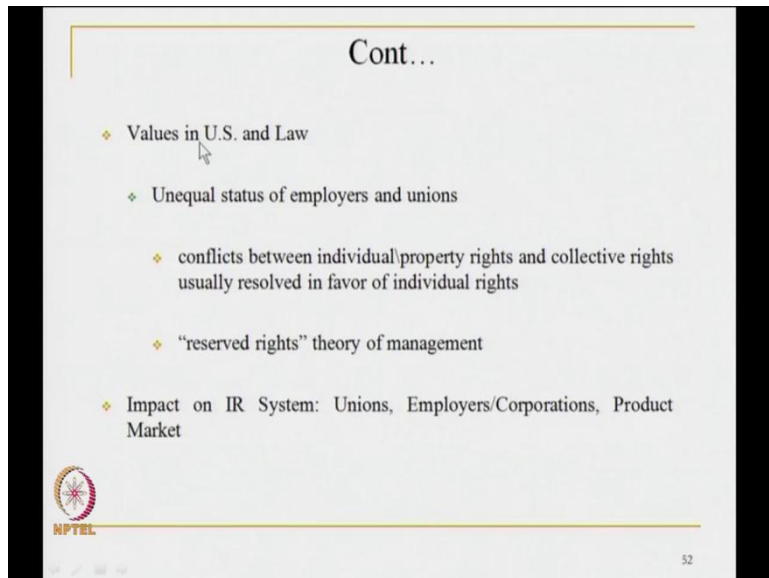


The slide is titled "Law and Values - Case of US" and contains a bulleted list of values in the United States. The list includes Individualism, with sub-points on individual rights, property rights, and freedom of contract. It also mentions that corporations are legal individuals, labor is an exchange transaction, and unions attempt to collectivize individual transactions. The slide features the NPTEL logo in the bottom left corner and the number 51 in the bottom right corner.

- ❖ Values in United States
  - ❖ Individualism
    - ❖ rights of individuals superior to other rights
    - ❖ property rights a derivative of individual rights
    - ❖ individuals free to order economic transactions so long as no laws are broken - freedom of contract
  - ❖ Corporations are Legal *Individuals*
  - ❖ Purchase and sale of labor an exchange transaction
  - ❖ Unions attempt to collective an individual transaction

And finally, a little bit of comparison perspectives on legislative situation in India, industrial law in India may help to put in debate in perspectives of their own strength and weaknesses more clearly therefore, laws and values case of us is sighted. What are the values in United States? Individualism - rights of individual superior to the other rights, property rights a derivative of individual rights, individual free to order economic transactions so long no loss are broken - there is a freedom of contract. Corporations are Legal Individuals in law, Purchase and sale of labour an exchange transaction, unions attempt to collective.

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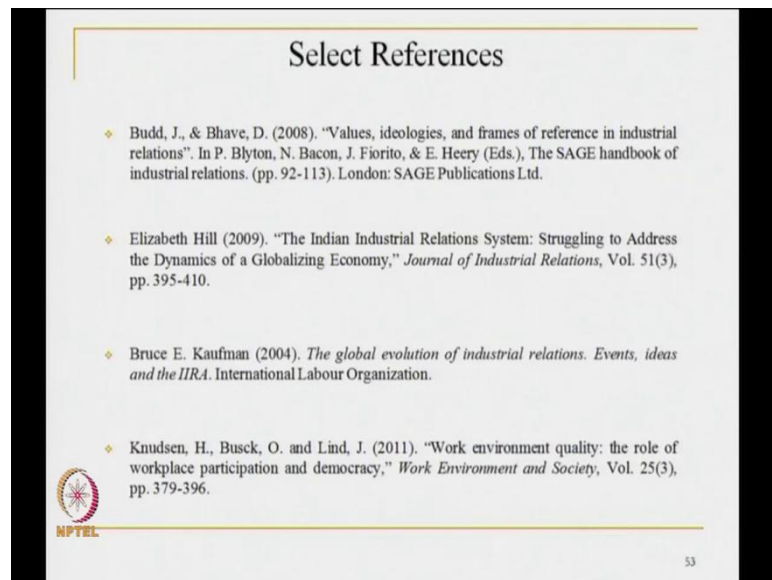
The slide is titled "Cont..." and contains a bulleted list of four points. The first point is "Values in U.S. and Law". The second point is "Unequal status of employers and unions", which has two sub-points: "conflicts between individual property rights and collective rights usually resolved in favor of individual rights" and "'reserved rights' theory of management". The third point is "Impact on IR System: Unions, Employers/Corporations, Product Market". The slide includes an NPTEL logo in the bottom left corner and the number 52 in the bottom right corner.

- ❖ Values in U.S. and Law
- ❖ Unequal status of employers and unions
  - ❖ conflicts between individual property rights and collective rights usually resolved in favor of individual rights
  - ❖ "reserved rights" theory of management
- ❖ Impact on IR System: Unions, Employers/Corporations, Product Market

This continues in terms of unequal status of employees and unions, conflicts between individual property rights and collective rights persist and usually resolve in favor of individual rights, the reserved rights theory of management also exists; and one can see even in United States there are gray areas; there are areas of strengths. So, there is nothing to put ash on our head about on our own deficiency.


On the other hand, in certain areas our legal system has shown considerable independence and understanding of the fundamental drives, and has pushed in right direction, but there is one thing which needs to be observe about say in typical US system; the clarity of the direction in which it moves the society. In Indian case, while we have lot slogan hearing the legislative frame work is not always clear on the direction to which it could move the society and this is something which can easily responded too.

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### Select References

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But to conclude therefore, there is a set reading list here which is essential to wrap up any discussion on the industrial law of frame work, because no matter how well it is treated; there are bound to be gaps. As usual I would like to conclude to with recommendation that please follow up your preparedness of reading and understanding these presentations are suppose to encourage amongst other things either necessary reading. This is not the end of the discussion; this is not end of the course; this may well be just marking a beginning a real understanding of the issues which drive this country, which goals managerial effectiveness and how you wish to find your own space there are in.

Thank you so much.