

**Business Law for Managers**  
**Prof. S. Srinivasan**  
**Vinod Gupta School of Management**  
**Indian Institute of Technology-Kharagpur**

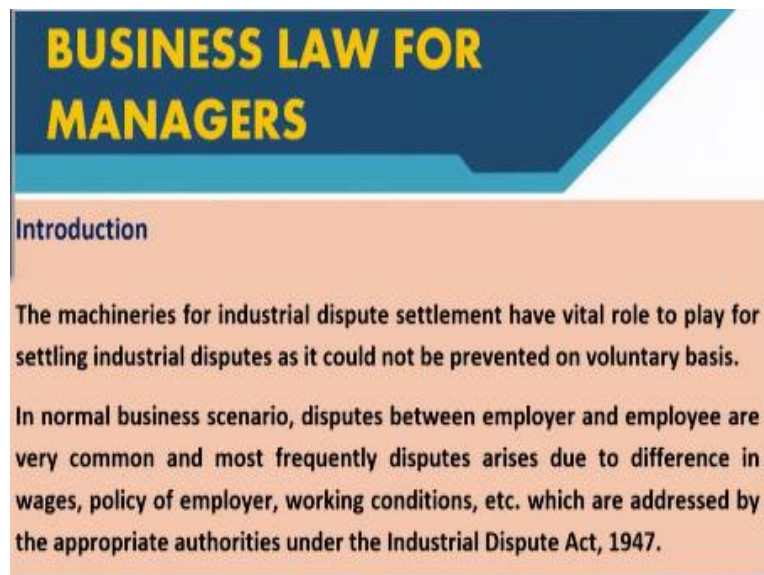
**Lecture - 39**  
**Various Authorities under Industrial Dispute Act, 1947**

Welcome to lecture number 39. And today we are going to discuss about various authorities and machineries under the Industrial Dispute Act to resolve the dispute which arise between an employee and employer. In the previous lecture, we discussed about strike and lockout where we also classified on what kind of strike which will be qualified as an illegal strike. Similar is the case you know illegal lockout.

We also discussed about what are the provision and compensation available for you know people who have been laid off. And we also discussed about what is the importance of having a machinery to resolve the dispute. And we also discussed about okay what is the difference between industrial conflict and industrial dispute. When the industrial conflict will essentially become an industrial dispute.

Today, we are going to discuss about what are the various machineries with intervention of government or in general without an intervention of government what are the machineries or statutory requirements which are available to settle the industrial disputes. Let us get into the lecture.

**(Refer Slide Time: 01:21)**



**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.

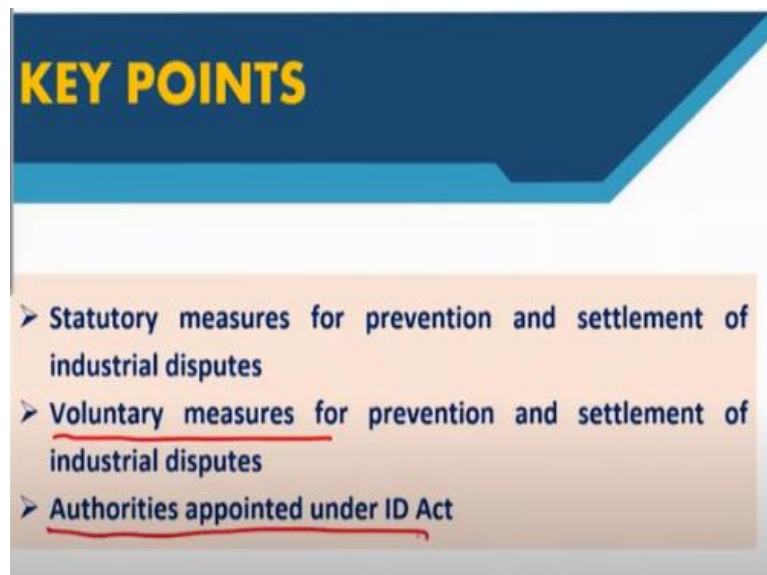
In normal business scenario, disputes between employer and employee are very common and most frequently disputes arises due to difference in wages, policy of employer, working conditions, etc. which are addressed by the appropriate authorities under the Industrial Dispute Act, 1947.

Okay. Why this machinery or the bodies which are required to you know resolve the industry dispute. Because industrial dispute, as we have already said, it has larger implication on the overall economic situations of the country and the organization or also foreign workers. So these machineries play critical role to settle the industrial disputes. Otherwise, it cannot be prevented on a voluntary basis.

Generally, this comes into picture, this machinery comes into picture when the both the parties are not able to amicably settle down a dispute which are arise in the course of the employment. In a normal business scenario, if you look at you know majority of the dispute between an employee employer are very common, which are revolves around wages and you know policy of the employer, or working conditions.

These are the major reasons which are resulting into an industrial dispute. So we are going to discuss about what are the mechanisms and the body which are available to settle the industrial dispute.

**(Refer Slide Time: 02:25)**



So what are the important things we are going to discuss in this lecture? We are going to discuss about what are the statutory measures meaning that you know legal provision which are available to settle the dispute, and also we are going to discuss about what are the voluntary measures. It is not always you know legal measures, which going to sought to settle the dispute.

There are also voluntary measures from both the parties to amicably try to settle down the dispute between the group of workers and also from the employer. And we are also going to discuss about the authorities appointed under this Industrial Dispute Act, okay.

(Refer Slide Time: 02:58)

**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

*Handwritten notes:*  
Workers & Management  
Wages  
Bonus  
CBA → Salary  
18-20% - 20%

So now we are going to discuss about the statutory machineries which are available with intervention of government. So as per this legislation, which demands a compulsory establishment of Bipartite Committee. What is this Bipartite Committee? Example of this Bipartite Committee is Works Committee, okay. Now Bipartite Committee is two parties.

If you remember, we were discussing in the previous lecture, the parties to the dispute are essentially the employees and employer. So here workers and management, these two parties essentially engage in an establishment of a Bipartite Committees. In this committee, what will happen there will be an equal representation of n number of representation from worker and m number of representation from the management.

They will constitute this particular committee and the committee will be time to time review address any issues any conference in matters related to wages, matter related to working condition, health and safety in all perspectives, try to settle down the conflict within the organization itself. And we are going to talk about the establishment of compulsory collective bargaining.

As I was also discussing this collective bargaining in the one of previous lectures, where this collective bargaining agreement is again between the representative of the workers either through the Works Committee or through a trade union between the management. They will have a collective bargaining agreement on various aspects which are obviously will lead to a conflict or a dispute to arise in the factory or in company.

So generally this collective bargaining agreement, we call it CBA collective bargaining agreement, which will be made majorly focusing on salary, then employee policies, bonus. Majorly on this grounds, they will make collective bargaining agreement and both the parties will agree to this aspect.

Now in terms of increment of the salary, promotion perspective, the percent of the bonus to be paid and then employee policies with respect to harassment or probation period confirmation period or a training period all that will be on this collective bargaining agreement.

Where both the parties will agree to certain conditions under which the employer and also employee will agree okay, we are going to follow this that this much of percentage is going to be paid as a bonus, this will be the percentage of increment we will have. For instance, in a bonus act, when we are learning we found that you know 8.33 is the minimum and it can go up to maximum 20%.

So the collective bargaining agreement will also discuss about what will be the bonus amount, what is the process or a procedure to be followed in fixing the bonus for the particular period. So this will also try to you know settle down many disputes which are arising between the parties, between the employer and a management. Then comes conciliation and mediation.

This conciliation and mediation if essentially look at there are a third party who is going to be involved. Now so far we were discussing about bi-party means two parties, parties to the dispute, either between an employee and an employer. Now comes another machinery wherein we are talking about involvement of a third party

to resolve the dispute between the parties, either through conciliation or mediation, so wherein there is a third party involved.

It can be either a voluntary or compulsory. The compulsory means the appropriate government may refer or appoint a conciliation officer. Generally, conciliation officer is a labor officer from the state government. Or sometime if it is a voluntarily going for a conciliation mediation, you both the party will agree and accept to the mediator.

Okay, so let us say from management perspective, one person will become a representative. Then from an employee perspective, there will be one person as representative. The idea of this conciliation or a mediation process is that break the ice. What most often in the industrial situations, the dispute between the parties, what essentially happens is both the party do not get into a constructive conversation or a constructive negotiation.

And this results in an impasse situation or they reach a situation where there is no progress happening on settling the dispute. So it is essentially required to have a third party who will facilitate both the parties to come out of this situations and come and discuss about the terms and conditions what do they want to offer, what do they agree.

So this conciliation or a mediation process, essentially an effort to try to settle down the dispute between the parties. Here the conciliation officer will be appointed by the state government, then appropriate government, as a labor officer, and if you look at the mediation, it can be voluntarily both the parties can agree to have a mediator who can try to resolve the dispute.

Essentially, if you look at in the conciliation and mediation process, they will not refer to the solution, rather they will facilitate the parties to amicably arrive at a solution so that the dispute can be resolved. Then compulsory investigation. The appropriate government may also refer to a court of enquiry where they will make an investigation.

They will appoint a person, two or more members appointed to investigate the dispute. What are the reasons, what is the background of the dispute, what is the offer

or what is the demand from the worker, what is the offer from the management, what management is feeling about this particular dispute, is there anything possible that management can accommodate?

Similar is the case with the employee can be accommodated, and the investigation will be done, what is the source of this dispute, why this dispute, and all that can be done and then they will try to amicably settle down the dispute between the parties. Then the next one is about compulsory arbitration or adjudication. Let us say conciliation is the initial step beyond this bipartite.

The third party, the conciliation officer attempts to facilitate the conversation and try to settle the dispute. If it is unsuccessful, they will go for board of conciliation. And even that is failed they can have sought for legal remedy through a court. The adjudication refers to through the court of law. Settlement or settling the dispute at the court of law that is called adjudications. It can happen in three levels.

One is at the Labor Court or at the Tribunal, Industrial Tribunal or a National Tribunal. So we are going to discuss about all this. What is this Labor Court? What kind of issues will be discussed? What type of a dispute can be discussed in the Industrial Tribunal? What type of dispute can be discussed in the National Tribunal? This is one method, which is adjudication is always a settlement in the court of law.

Where the when you are talking about compulsory arbitration is again, it is an out of the court settlement. It is not the at the court of law where is again it is kind of an arbitration, compulsory arbitration. There will be an arbitrator, who will be facilitating both the parties to discuss and then they might also suggest an award or a settlement for the particular dispute. So these are the, with intervention of a government.

**(Refer Slide Time: 10:43)**

**Industrial Dispute Act, 1947:**

**Settlement without Intervention of Government**

- Collective Bargaining ✓
- Voluntary Arbitration ✓

*Handwritten notes:*  
 - Proactive & Reactive  
 - Salary Bonus Policies  
 - 2-3 Years

We are going to look at what are the possible machineries or a system which are proposed under this legislation to settle the dispute without the intervention of government. One is about collective bargaining. As I said, proactively it can be both the ways. It can be proactive and it can also be reactive.

What I refer to a proactive is that you will have a collective bargaining agreement between the employee and employer on various aspect, as I was already said, salary, bonus, policies. And you will list down okay, this is what we are going to see the increment policy, percentage of bonus. This will be in effect for next three years, let us say two to three years. This what it essentially tries to do?

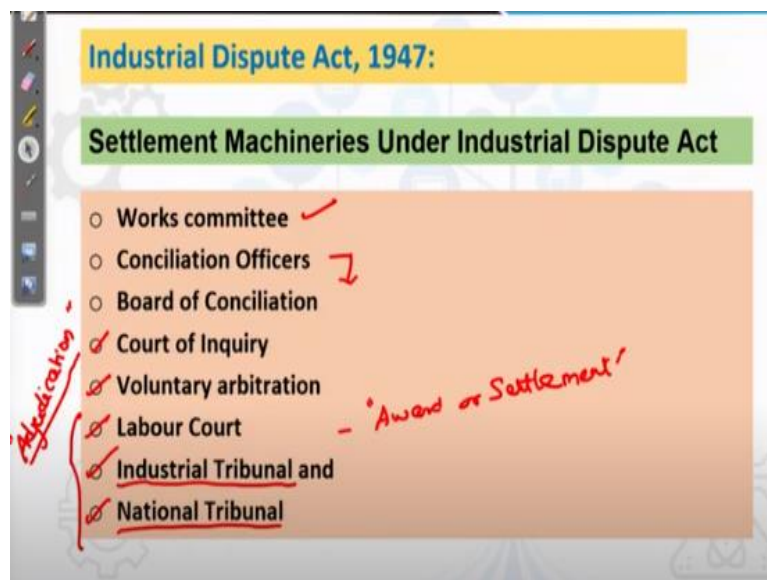
This tries to fix a period under which this is going to be governing the both the party future, management and employee. So it is try to avoid these disputes, which are likely to arise between the employee and employer on the aspect of salary or bonus or policies. Now let us come back to the reactive bargaining.

What is a reactive bargaining? Let us say, some dispute which is coming around the salary component. Both the parties can arrive at a collective bargaining agreement and agreeing to the fact that okay, we agree with certain x amount of percentage of increment is fine with us. And this can stay for next one or two years, or maybe three years or maybe a period of four years. This is a reactive approach.

Now comes a voluntary arbitration. When both the parties feel that yes, we are having a dispute. And we feel that it is not likely to be settled between the parties, because both the parties do not agree to the demands from the parties.

So you can also through an appropriate government, you can or appropriate authority, you can refer to the voluntary arbitration, which is again you will have a third party who will intervene between the both the parties and try to settle the dispute, which is a settlement without the intervention of the government.

**(Refer Slide Time: 12:50)**



Now we also see other settlement machineries under this Industrial Dispute Act. Works Committee, I already discussed about the Works Committee where we have the equal representation from the employee and employer. And for the conciliation officer, as I said the labor officer will be appointed as a conciliation officer who is trying to facilitate between the parties and trying to amicably settle the dispute.

And board of conciliation. When the conciliation officer fails to settle the dispute they may refer to board of conciliation wherein more than one member will be appointed, the board will be appointed to try to resolve the dispute in the particular industry. Then comes the court of inquiry as we are already discussed.

The Court of inquiry is a compulsory you know legal remedy which allows setting up of a court of inquiry that they will investigate the dispute and try to come up with the



possible solutions or a settlement. Then just now we discussed about the voluntary arbitration.

This is also one method of settling the dispute and the appropriate authority will also appoint a Labor Court with respect to a specific dispute, maybe on a wages, maybe a bonus, maybe on the appointment or a termination or a closure or the retrenchment related things based on the issues, based on the extent of the impact which is going to have on the worker.

So they will appoint a Labor Court where the Labor Court will investigate here both the parties and try to declare, provide an award. Award is nothing but a judgment that is called we refer to an award here in this dispute, award or a settlement. This is kind of a final judgment; we call it award or settlement which is nothing but a judgment in this Labor Court situation.

Then there are cases which can be referred to the next higher level of the these three are adjudication, okay. So adjudication means it is a court of law. So Industrial Tribunal. So Industrial Tribunal is the next level of Labor Court wherein the dispute which are in a larger in nature, which has larger wider coverages, that will be refers to Industrial Tribunal.

Then the next the highest adjudication process under this particular Industrial Dispute Act is National tribunal. So any dispute, which are in a national importance, in a huge volume, that it is going to be covering up and impacting the larger section of the country, then that kind of a dispute will be referred to the National Tribunal.

**(Refer Slide Time: 15:44)**

**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

Now let us spend time on understanding each of these aspects of Works Committee. See, what is this Works Committee? What is the statutory requirement for constituting a Works Committee, which means formation of a Works Committee? And every establishment in which you know we have 100 or more workmen are employed you need to form a Works Committee and if they have at least 100 workers in a previous preceding year then they should form a Works Committee in your industry.

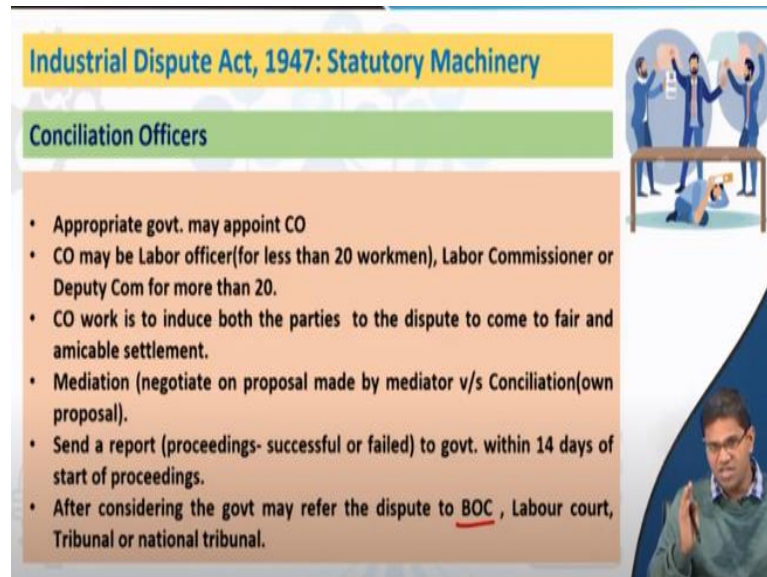
Now question comes, if a factory or an establishment or a company and organization has less than 100, is there a requirement of form a Works Committee? It is not mandatory, but you will be, it is always appreciated to have a works representative committee who can represent the workers' interest to the management. Whom does it consist of?

It as a bipartite, meaning that the representative of the both the worker and also a management in equal number. If it is 10 members, 5 from workmen and 5 from the manager means management. And this term of their representation shall be for two years. And you know you can also choose the works representative, workers' representative based on a ballot method and all that case also possible.

Then which type of issues are handled? The matter arising out of the day-to-day working in the working of the organization with respect to health and safety, welfare of employees, with respect to productivity, efficiency, slowdown, quality, cost concern all that can happen.

And it is also consultative body, meaning that you know they can actually meet time to time and hear is there any difficulties or challenges that workers are facing, any improvement is required or any demands are coming up? This kind of a consultative body where both parties can you know have a regular meeting that also tries to prevent any dispute to arise in the industrial setup, okay.

**(Refer Slide Time: 17:45)**



**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.

Now comes about the conciliation officer. What is this conciliation officer? Conciliation officer as I said, when the Works Committee could not solve the dispute. Now the appropriate government, the appropriate government here we refer to for example, private organizations or you know factories which are registered in factories act, the state government will be the appropriate government.

And also state run public sector companies is also state government is the appropriate government. Now comes let us say central government run organization. For example, railways, or public sector limited BHEL, Bharat Heavy Electricals Limited or Bharat Electronics Limited. All those centrally run public sector limited are where the central government is the appropriate government, okay.

So the appropriate government will appoint a conciliation officer. Who is the conciliation officer? Conciliation officer is a labor officer if the facility has less than 20 workmen. And otherwise, it is a labor commissioner or deputy commissioner for

more than 20 workmen where the larger factories where the conciliation officer obviously, labor commissioner or a deputy labor commissioner.

So conciliation officer is actually facilitating both the parties to come to a fair and amicable settlement. He or she will not suggest a solution. Rather, they will you know act as a catalyst between the parties to discuss the dispute and come up with a possible settlement. And they will also they can also act as a mediator that the mediation can happen.

When you refer the mediation versus conciliation, so mediation, the negotiation or proposal made by the mediator. So the mediator will propose okay, this is what we can do. Rather in conciliation process it is always an own proposal from the parties. And once they amicably settle, or if in case not also they will send a report.

Either way, if it is successfully settled or even if the efforts are failed, they will communicate this to appropriate government within 14 days of the start of the proceedings. After considering, the government may refer. In case if it is successful, yes the settlement is done, both the parties will sign and it will be implemented. Now it is a failed. So the appropriate government may refer it to the Board of Conciliation.

BOS refers to Board of Conciliations or the other machineries like Labor Court, Tribunal or a National Tribunal where it is based on a case to case basis, see the extent of the dispute and they will refer accordingly, okay.

**(Refer Slide Time: 20:25)**

## 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

Now comes Board of Conciliation. As I said, when the conciliation officer makes an effort, if they fail, the next step to resolve the dispute is Board of Conciliation. The board consists of the chairman and 2 or 4 members, where they will have the representation from both the parties so that there is a representation for the management and also for the employer and they will try to settle the dispute.

If the dispute is settled, they will send the report to the appropriate government. Otherwise also they will send the report and they will submit within the two months from the start of the Board of Conciliation. Because if that dispute is still not settled, then it has to be settled in the other methods, alternative way of settling it.

**(Refer Slide Time: 21:11)**

## 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.

So then comes the Court of Inquiry, which you will see conciliation officer, then board of conciliators, then we are coming to the Court of Inquiry. The appropriate government, the appropriate government as I said here you will always refer to in case state government run institution or a private organization it is state government, if it is central government run institutions or the central government organization, it will be central government.

They will constitute a Court of Inquiry connected with the dispute, okay. The Court of Inquiry may consist of one or more persons as members and a chairman. They will inquire into the report and submit to the government within six months from the commencement of the inquiry.

They will inquire the dispute and try to understand what has actually happened in the dispute, what is the demand from both parties, why there is no possibility of settlement and they will inquire and reveal the case to the appropriate government.

**(Refer Slide Time: 22:03)**

**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

Now comes, okay so what will be the next step of settling the dispute? Now comes the Labor Court. Labor Court is all an adjudication process where there is a legal, they will try to settle at the court of law. The appropriate government will appoint a labor court. Any matters specified in the schedule II, schedule II is generally talking about you know with respect to wages, and you know terminations and closure and all that.

The composition, it will consist of one person. It should have been a judge of high court or for three years, been a district judge at least or an additional district judge, who have held a judicial office in India for seven years. At least seven years as, you know judge in either in the three years at the district judge or an additional district judge, or at least a high court judge, that person will be appointed as a judge to settle this dispute and hear this matter.

And you know whatever this been mentioned on the schedule II, for that matter only they will appoint a Labor Court. So the application and interpretation of this service discharge or dismissal of workers. So that is what we are referring, discharge or dismissal of workers. Let us say somebody has been terminated or somebody been suspended for any other reasons and withdrawal of concession or privileges, illegal strikes or lockouts all matter which other than schedule III will be handled at Labor court.

These are the matters which will be dealt at the Labor Court, okay. Now at the Labor Court what generally happen, it is like a general court proceeding where the both parties will have to be heard and all their you know evidence has to be produced and the judge will be hearing both the parties, investigate the matter and then they will come up with the award or a settlement.

**(Refer Slide Time: 23:57)**

**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.

*Any Dispute*

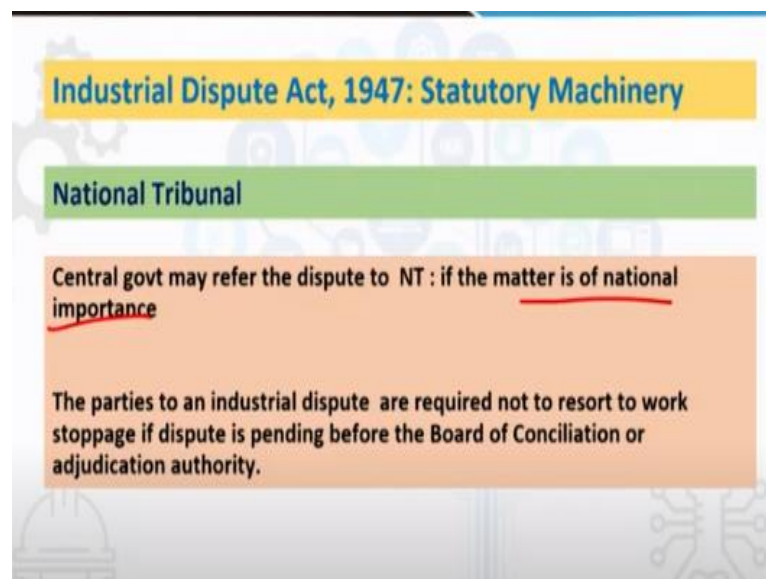
Now comes a tribunal. What is this tribunal? It is an Industrial Tribunal, first is an Industrial Tribunal. It consists of one person. He should have been a judge of High

Court or at least three years have been a judge or a district judge or additional judge. And then what are the matters will be discussed in Industrial Tribunal. You see that there is a jurisdiction difference, okay.

Here this here, which will include wages, including period, mode of payment, compensatory allowance, hours of work, any matters related to those intervals, leave with wages, bonus, profit, Provident Fund, gratuity, and then shift work, classification of grades, in you know workplaces you classify the grades, and rules of discipline. Retrenchment means termination and closure.

These matters will be the jurisdiction for the industrial tribunal. They will any dispute covering on this okay, will be dealt by the Industrial Tribunal.

**(Refer Slide Time: 24:58)**



Next come the National Tribunal. As I already said the National Tribunal the matters which are related to the, you know the larger extend were of national importance will be dealt at the National Tribunal. So National Tribunal, so as I said you know it will be the matter of national importance will be referred to the National Tribunal.

The parties to an industrial dispute are required not to resort to work stoppage, if the dispute is pending before a Board of Conciliation or adjudication authority. So you should not resort to stoppage of work. You should continue to do the work parallel this dispute is being addressed or being attempted to be resolved in the machineries, through machineries available.



(Refer Slide Time: 25:36)

**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.

So who will be handling this case? So a person shall not be qualified for appointment as a proceeding officer unless otherwise, he has been a judge of a High Court. Whereas if you have seen, maybe a judge of High Court, otherwise you know district court judge and then additional judge were allowed in the previous cases. For a National Tribunal, the person will be a presiding officer will at least should be in the rank of High Court judge.

And central government may base on the point may also appoint two persons as an assessor to advise the National Tribunal in the proceedings before the it starts, okay.

(Refer Slide Time: 26:10)

**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.

Now comes, we will look at a non-statutory machinery. So non-statutory machinery we are talking about, it is not from the, you know legal framework, but there are also machineries, how you can settle the dispute. The mutual agreement between the management and union. This is one way of, though the agreement will bind as a legal document, but it is not a statutory.

Meaning that there is no legal framework which guides you to come up with this machinery. And generally the mutual agreement between the parties who generally have the dispute is always better. You know they can come up with the agreement there shall be no strike or lockout without any notice, because without notice becomes an illegal strike.

They can get into an agreement okay, both parties will not start either a strike or a lockout without giving due notice to the parties. And no unilateral actions. No party will take unilaterally some decision on the matters, industrial matters. And industrial dispute must be settled at the appropriate level replacing the existing machinery. Try to, at the maximum try to settle out of the court.

We know the time it takes to settle the dispute in a court of law. It takes a longer time. It is going to take the resources of the both the parties. So it is always better if you can try to settle the dispute through the appropriate machinery. But you know out of the court of even between the parties through conciliation officer for the greater good of the society and also for employer and management as well.

So affirm faith on democratic principles. So meaning that yes, both the parties will be given a fair chance to be heard about their positions. And bind themselves to the settle disputes and grievances by mutual negotiation through voluntary arbitration. It is mostly encouraged so that you know both the parties can mutually negotiate or opt for a voluntary arbitration to settle their dispute.

**(Refer Slide Time: 27:56)**

## 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.

Then comes neither party will take a line of coercion or intimidation. Intimidation meaning the both the parties you know do not get into a force on the parties to accept to the settlement or do not sought for a go slow tactics because it is going to impact the management. Avoid litigation, sit-down, stay-in, strikes or lockouts and promote a constructive cooperation between the parties.

And agree to you know establish mutually accepted procedure for settling grievance. Now both the party can come up with a procedure okay, this is how we are going to settle any dispute arises in future or with a current dispute also. So educate both the management personnel as well as workers in the duties and responsibilities and obligation to settle the dispute.

**(Refer Slide Time: 28:37)**

## Industrial Dispute Act, 1947: Statutory Machinery

### Agreement on the part of management

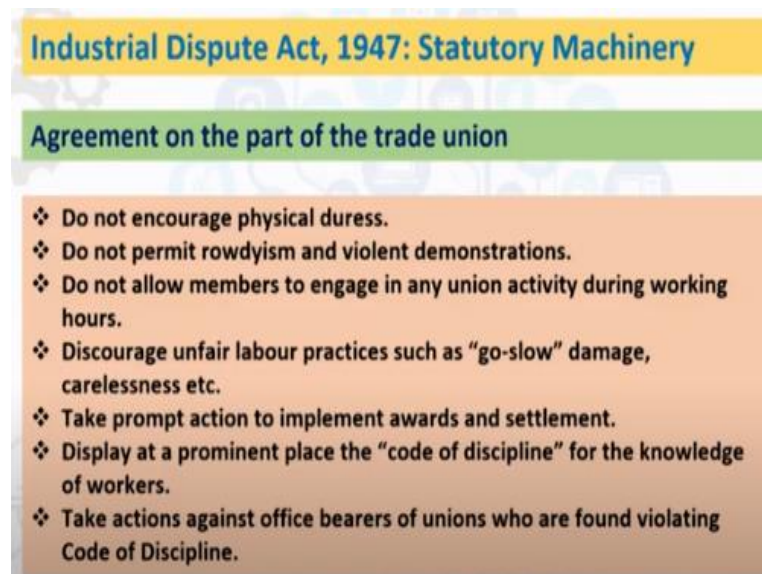
- ❖ Do not increase workload unilaterally.
- ❖ Discourage unfair labour practice like discrimination, coercion, victimization etc.
- ❖ Take prompt actions for redressal of grievances and implementation of settlements and awards.
- ❖ Publicize Code of Discipline in local language and display the same 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.

So now what are the agreements that can be made from the management is that management can agree to a fact that do not increase the workload unilaterally. Only with the consultation with the workers I will be increasing the workload you know with the consultation and maybe with increase in salary or whatever the terms, unilaterally do not do anything. And discourage unfair labor practices like discrimination, using force on the workers.

And take prompt action to redress any grievances and implementation of the settlements or award whichever been already decided in some certain cases or certain disputes. They should be prompt in settling those awards and decisions made. And publicize code of discipline in local language, display the same promptly so that you know worker who do not have an access to the other languages can also understand if they can read.

And you know bring down with the sequential steps in a disciplinary action what will be the process to be followed in case of any worker has been dismissed or charged under the disciplinary actions, what are the steps to be followed? So that they also know okay, what are the sequence of steps it is going to go through to prove that they are innocent or maybe true that the person has committed any disciplinary actions, okay.

**(Refer Slide Time: 29:53)**



**Industrial Dispute Act, 1947: Statutory Machinery**

**Agreement on the part of the trade union**

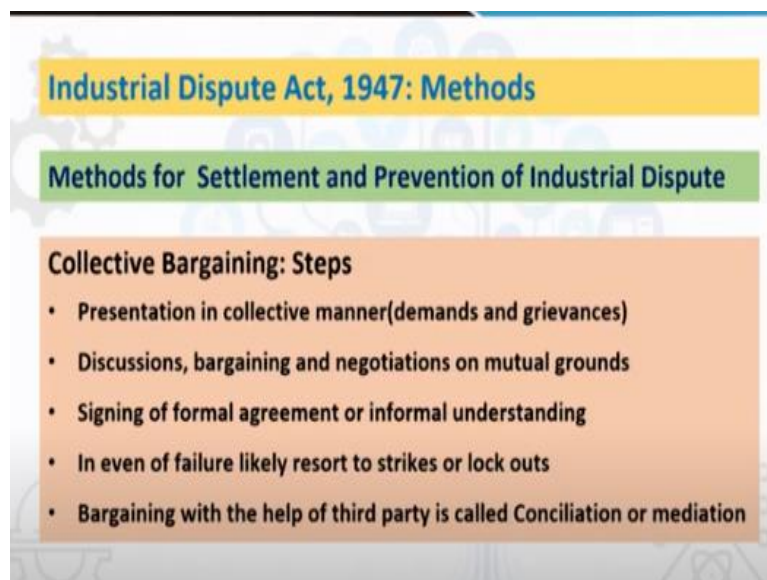
- ❖ Do not encourage physical duress.
- ❖ Do not permit rowdyism and violent demonstrations.
- ❖ Do not allow members to engage in any union activity during working hours.
- ❖ Discourage unfair labour practices such as "go-slow" damage, carelessness etc.
- ❖ Take prompt action to implement awards and 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.

So then do not encourage any trade union as a management also. Similarly, trade union also should agree on certain part. They do not encourage any physical duress

meaning that they do not go for gherao or any forceful act on the management. Do not promote or encourage any violence act within the factory or on the factory management. Do not allow members to engage in union activity during work hours.

During work hours no activity related, union activities. Discourage unfair labor practices like go-slow because this is also going to impact the management. And display prominent place of code of discipline so that they can also read. And take action against office bearers who found violating code of discipline, okay.

**(Refer Slide Time: 30:33)**



So what are the steps which you can follow in the collective bargaining which presentation in collective manner, demands and grievances. What is your problem, what is your demands and discuss about it and bargain with the management and both the party signing a formal agreement?

Once you arrive at some solutions signing it formally and between the parties and you know even your failures likely to resort strikes or lockouts, you follow the general procedure which are laid down, give a due notice, then you go for strike or lockout. And try to also bargain with the help of the third party either through conciliation or a mediation that will always try to resolve the dispute between the parties.

**(Refer Slide Time: 31:14)**

## REFERENCES

Koontz, H and Wehrich, H., Management, New York, McGraw Hill 2. Luthans, F., Organizational Behaviour, New York, McGraw Hill  
Thomas C R and S Charles Maurice, Managerial Economics, The McGraw-Hill Co  
Torrington, Derek and Hall, Laura, Personnel: A New Approach to Management, Prentice Hall International  
Aggarwal, Dr. Arjun P. and Larki, H., Gherao and Industrial Relations, Trade Unionism in the New Society  
Beaumont P. B: The Future of Employment Relations, Sage Publication  
British Dietetic Association (1984) Industrial Relations Code of Practice, BDA, Birmingham.  
Clegg, H. (1979) The Changing System of Industrial Relations in Great Britain, Basil Blackwell, Oxford.  
[https://labour.gov.in/sites/default/files/THEINDUSTRIALDISPUTES\\_ACT1947\\_0.pdf](https://labour.gov.in/sites/default/files/THEINDUSTRIALDISPUTES_ACT1947_0.pdf)

So these are the references.

**(Refer Slide Time: 31:15)**

## 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.

Today, we discussed about various machineries either through the intervention of the government or without the interventions or non-statutory measures to settle the dispute in detail. This will be helping you to understand what are the legal and also non-statutory machineries available to handle any dispute in the industries. We will see the other aspects of the Industrial Dispute Act in the last lecture. Thank you.