

DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

Advanced Diploma in Labour Laws and Employee Management

Academic Year: 2023-2024

Annual Examination (May, 2024)

**Paper IV – 1.4 Law Relating to Termination of Service
(Batch:2023-2024)**

Duration of the Examination: 3 hours

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

- a) Read the instructions carefully and adhere to the same.
 - b) Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.
 - c) The questions to be interpreted as given and no clarification can be sought from the Invigilator.
 - d) Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.
 - e) Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.
 - f) Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.
 - g) Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.
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Answer FOUR questions out of SIX questions and each question carries 25 marks. (4 x 25 marks = 100 marks)

Note : The first 4 questions are essay-type questions, and the last 2 questions are problem-based questions, i.e., you have to provide an answer to that problem supported/ based on the relevant provisions of law and judgments. You are expected to refer to them in your answer.

1. What are the legal requirements and procedural steps that an employer must follow under the Industrial Disputes Act 1947 when retrenching a workman, and how do these requirements ensure the protection of workman's rights, especially considering the judicial precedents and the definition of 'retrenchment' as outlined in the document?

2. How do you define employee misconduct, and what are the essential components and legal considerations that employers must address when structuring a disciplinary policy to handle such misconduct effectively?
3. What are the essential elements and principles that must be considered when drafting a chargesheet in a disciplinary inquiry to ensure it is clear, precise, and legally robust?
4. What are the legal considerations and procedures an employer must follow regarding the salary, leave encashment, Provident Fund, and gratuity of a managerial employee terminated for misconduct?
5. Srinivas Enterprises, a prominent Indian multinational corporation in the infrastructure sector, is confronted with a challenging domestic enquiry involving its Chief Financial Officer (CFO), Mr Rajat Verma. The enquiry is triggered by whistle-blower allegations citing severe financial misconduct and regulatory violations across Infratech's operations in India and its subsidiaries abroad. A Domestic Enquiry Committee (DEC) Consisting of senior members from the legal, audit, and compliance departments, supplemented by an independent member from a corporate governance watchdog, is set up. Allegations against Mr. Verma include embezzlement, manipulation of financial statements, and bypassing regulatory compliance to benefit personally and secure unauthorised benefits for certain subsidiaries. The whistle-blower, a senior manager in the finance department, provided detailed documentation suggesting a pattern of unethical behaviour affecting the financial and operational integrity.

Detail various steps in the Enquiry process.

6. Rajat Sharma, a senior manager at Zenith Innovations Pvt. Ltd., has been with the company for 15 years and is resigning to pursue opportunities elsewhere. His last working day is scheduled for the end of the month, and he has provided all required notices and documentation on time. Rajat's monthly salary is Rs 1,50,000. He have unused annual leave worth Rs 60,000, and a performance bonus of Rs 30,000 due for the current fiscal year. Additionally, he is eligible for a gratuity payment and has some pending reimbursements for travel expenses amounting to Rs 20,000.

As the HR manager of Zenith Innovations, you are tasked with calculating Rajat's full and final settlement. Calculate the following Values:

- a. Amount to be paid before adding gratuity. **(5 Marks)**
- b. Deducted Amount after removing PF contribution (50% is basic salary) (TDS amount is not considered in deduction to avoid the complexity of calculation) **(5 Marks)**
- c. Gratuity Amount to be paid. **(5 Marks)**
- d. Final Amount to be paid to Mr. Rajat Sharma **(5 Marks)**
- e. What are the other legalities and compliances to be followed while executing the process of full and final settlement **(5 Marks)**