

THE OPEN UNIVERSITY OF SRI LANKA  
MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE  
MANAGEMENT  
FINAL EXAMINATION – MARCH 2021  
MCP2139/MSP9339/HRP9339 – INDUSTRIAL LAW AND RELATIONS  
DURATION: 03 HOURS



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Date: 14 MARCH 2021

Time: 1.30p.m. to 4.30p.m.

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Answer any FIVE questions.

Candidates will be penalized for illegible handwriting.

Total Number of Questions: 08

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1. Gama Foods Ltd provides home delivery services of its food items in and around Colombo. The Company engages twelve persons to deliver the food items since the commencement of its business in 2015. The Company provides uniform to the delivery persons to wear during their working hours. They use the motor-bikes provided by the Company to deliver the food items. The Company does not pay any fixed payment to them, but it pays only a commission calculated on the basis of the deliveries they have made during the month. According to the agreement between the Company and the delivery persons, the delivery persons cannot delegate their work to any other person. The delivery persons wish to know whether they are employees of the Company or independent contractors. Advise them.

(20 Marks)

2. Wuhan Hospital Ltd employed Monica as a Junior Executive with effect from 01-02 - 2020 subject to a probationary period of one year. Monica provided her services to the satisfaction of her superiors, and became entitled to all salary increments based on her performance. She had a personal dispute with a Senior Administrator relating to a love affair of her sister. The Management of the Hospital terminated her services at the end of her probationary period without giving any reason. Monica wishes to know whether she could seek any relief against termination of her services. Advise her.

(20 Marks)

3. Explain the mechanisms relating to settlement of industrial disputes under the Industrial Disputes Act.

(20 Marks)

4. Assume that you are the President of a Labour Tribunal, and write how would you decide the following case filed for termination of services:

Suresh worked as a finance manager in Lemon Electric Equipment Ltd. He was also the treasurer of his School Old Boys' Association. In December 2020, it was found by the Association that he had given forged receipts of the Association to collect money from the members of the Association. Suresh accepted the fraud and resigned from his position in the Association. When the Lemon Electric Equipment Ltd came to know about it, the management of the Company had terminated his services.

**(20 Marks)**

5. Explain the situations in which an employer will have liability to pay compensation for work related accidents, and the situations in which an employer will not have liability to pay compensation for work related accidents.

**(20 Marks)**

6. Casurina Garments Ltd employs 350 employees from the commencement of its business in 2010. The business of the Company has been affected because of competition in the business. The Company has terminated the employment of fifty employees with a payment of one month salary as the employees are redundant in the Hotel. The employees have not accepted the termination of their employment and the payment. The employees seek your advice as to the legality of the termination, and the relief available to them, if any. Advise them.

**(20 Marks)**

7. Newton Company employed seventy workers including Ravi for the last eight years and terminated the services of Ravi for a fraud committed by him in the Company. When Ravi requested his gratuity, the Company informed him that his gratuity is withheld for the misconduct he had committed. Ravi seeks your advice with regard to his gratuity. Advise him.

**(20 Marks)**

8. Explain the important aspects of the following legislation:

- (a) Trade Union Ordinance
- (b) Shop and Office Employees' Act

(Each part carries 10 Marks.)

**(Total 20 Marks)**

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