

PUNJAB STATE TRANSMISSION CORPORATION LTD.

Departmental Accounts Eamination-2024 (1st session)

Category : AE/E

Paper-IV

Roll No. _____

(Acts & Labour laws)

Time Allowed: 3 Hours

Max. Marks: 100

Note: All Questions are compulsory

- Q. 1 (a) What criteria have been notified under the provisions of Micro, Small and Medium enterprises Act 2006 for classification of Micro, Small and Medium enterprises? Also quote relevant notification. Marks: 8**
- (b) What are the different facilities required to be provided under Factory Act, 1948 with regard to Welfare of workers. Marks:10**
- (c) Define Board under Micro, Small and Medium enterprises Act 2006 Marks: 2**
- Q. 2 (a) What are the provisions relating to Settlement as per The Arbitration and Conciliation Act. 1996?**
- (b) Define Form and Contents of Arbitral Award as per The Arbitration and Conciliation Act,1996.**
- (c) Explain the provisions of Recovery of Gratuity under the payment of Gratuity act, 1972, if gratuity not paid by the employer.**
- (d) Explain the penalties under the payment of Gratuity act, 1972. Marks: 4X5 = 20**
- Q. 3 (a) Explain Employer's liability for compensation as per Workmen Compensation Act, 1923.**
- (b) Explain state transmission utility and its functions as per The Electricity Act. 2003. Marks: 10+10= 20**
- Q. 4 Define the following: -**
- (a) Industrial Dispute.**
- (b) Strike.**
- (c) Seasonal Factory.**
- (d) Managing Agent.**
- (e) Power System. Marks: 5X4 = 20**

Q. 5 (a) Discuss in detail the relevant provisions of Right to Information Act, 2005 that deals with disclosure of information provided to Public Authority by Third Party.

(b) What are the circumstances in which information is provided free of cost to the applicant for fee prescribed under sub section (1) of section 6 and sub section (1) and (5) of section 7 of the Right to information Act, 2005. Support your answer with relevant provisions of concerned Law.

(c) Explain the method of calculating wages as per compensation Act, 1923

Marks: 10+5+5= 20

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Sol 1. (a) Following criteria for is being followed for classification of micro, small and medium enterprises, namely:-

(i) a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;

(ii) a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;

(iii) a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

Government of India, Ministry of Small Scale Industries, have notified above criteria of classification on dated the 1st June, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(ii), vide S.O. 1702(E).

Sol 1. (b) Different facilities required to be provided under Factory Act, 1948 with regard to Welfare of workers are given below:-

42. Washing facilities.—(1) In every factory—

(a) adequate and suitable facilities for washing shall be provided and maintained for the use of the workers therein;

(b) separate and adequately screened facilities shall be provided for the use of male and female workers; (c) such facilities shall be conveniently accessible and shall be kept clean.

(2) The State Government may, in respect of any factory or class or description of factories or of any manufacturing process, prescribe standards of adequate and suitable facilities for washing.

43. Facilities for storing and drying clothing.—The State Government may, in respect of any factory or class or description of factories, make rules requiring the provision therein of suitable places for keeping clothing not worn during working hours and for the drying of wet clothing.

44. Facilities for sitting.—(1) In every factory suitable arrangements for sitting shall be provided and maintained for all workers obliged to work in a standing position, in order that they may take advantage of any opportunities for rest which may occur in the course of their work.

(2) If, in the opinion of the Chief Inspector, the workers in any factory engaged in a particular manufacturing process or working in a particular room are able to do their work efficiently in a sitting position, he may, by order in writing, require the occupier of the factory to provide before a specified date such seating arrangements as may be practicable for all workers so engaged or working.

(3) The State Government may, by notification in the Official Gazette, declare that the provisions of sub-section (1) shall not apply to any specified factory or class or description of factories or to any specified manufacturing process.

45. First-aid appliances.—(1) There shall in every factory be provided and maintained so as to be readily accessible during all working hours first-aid boxes or cupboards equipped with the prescribed contents, and the number of such boxes or cupboards to be provided and maintained shall not be less than one for every one hundred and fifty workers ordinarily employed 1[at any one time] in the factory. 2[(2) Nothing except the prescribed contents shall be kept in a first-aid box or cupboard. (3) Each first-aid box or cupboard shall be kept in the charge of a separate responsible person 3[who holds a certificate in first-aid treatment recognised by the State Government] and who shall always be readily available during the working hours of the factory.] 4[(4)] In every factory wherein more than five hundred workers are 5[ordinarily employed] there shall be provided and maintained an ambulance room of the prescribed size, containing the prescribed equipment and in the charge of such medical and nursing staff as may be prescribed 6[and those facilities shall always be made readily available during the working hours of the factory].

46. Canteens.—(1) The State Government may make rules requiring that in any specified factory wherein more than two hundred and fifty workers are ordinarily employed, a canteen or canteens shall be provided and maintained by the occupier for the use of the workers.] (2) Without prejudice to the generality of the foregoing power, such rules may provide for— (a) the date by which such canteen shall be provided;
(b) the standards in respect of construction, accommodation, furniture and other equipment of the canteen;
(c) the foodstuffs to be served therein and the charges which may be made therefor;
(d) the constitution of a managing committee for the canteen and representation of the workers in the management of the canteen;
1[(dd) the items of expenditure in the running of the canteen which are not to be taken into account in fixing the cost of foodstuffs and which shall be borne by the employer;]
(e) the delegation to the Chief Inspector, subject to such conditions as may be prescribed, of the power to make rules under clause (c).

47. Shelters, rest rooms and lunch rooms.—(1) In every factory wherein more than one hundred and fifty workers are ordinarily employed, adequate and suitable shelters or rest rooms and a suitable lunch room, with provision for drinking water, where workers can eat meals brought by them, shall be provided and maintained for the use of the workers:

Provided that any canteen maintained in accordance with the provisions of section 46 shall be regarded as part of the requirements of this sub-section:

Provided further that where a lunch room exists no worker shall eat any food in the work room.

(2) The shelters or rest rooms or lunch rooms to be provided under sub-section (1) shall be sufficiently lighted and ventilated and shall be maintained in a cool and clean condition.

(3) The State Government may—

(a) prescribe the standards in respect of construction, accommodation, furniture and other equipment of shelters, rest rooms and lunch rooms to be provided under this section;

(b) by notification in the Official Gazette, exempt any factory or class or description of factories from the requirements of this section.

48. Creches.—(1) In every factory wherein more than 2[thirty women workers] are ordinarily employed there shall be provided and maintained a suitable room or rooms for the use of children under the age of six years of such women.

(2) Such rooms shall provide adequate accommodation, shall be adequately lighted and ventilated, shall be maintained in a clean and sanitary condition and shall be under the charge of women trained in the care of children and infants.

(3) The State Government may make rules—

(a) prescribing the location and the standards in respect of construction, accommodation, furniture and other equipment of rooms to be provided under this section;

(b) requiring the provision in factories to which this section applies of additional facilities for the care of children belonging to women workers, including suitable provision of facilities for washing and changing their clothing;

(c) requiring the provision in any factory of free milk or refreshment or both for such children;

(d) requiring that facilities shall be given in any factory for the mothers of such children to feed them at the necessary intervals.

49. Welfare officers.—(1) In every factory wherein five hundred or more workers are ordinarily employed the occupier shall employ in the factory such number of welfare officers as may be prescribed.

(2) The State Government may prescribe the duties, qualifications and conditions of service of officers employed under sub-section (1).

Sol 1. (c) "Board" means the National Board for Micro, Small and Medium Enterprises established under section 3;

Sol 2. (a) Provisions relating to Settlement as per The Arbitration and Conciliation Act, 1996 :-

(1) It is not incompatible with an arbitration agreement for an arbitral tribunal to encourage settlement of the dispute and, with the agreement of the parties, the arbitral tribunal may use mediation, conciliation or other procedures at any time during the arbitral proceedings to encourage settlement.

(2) If, during arbitral proceedings, the parties settle the dispute, the arbitral tribunal shall terminate the proceedings and, if requested by the parties and not objected to by the arbitral tribunal, record the settlement in the form of an arbitral award on agreed terms.

(3) An arbitral award on agreed terms shall be made in accordance with section 31 and shall state that it is an arbitral award.

(4) An arbitral award on agreed terms shall have the same status and effect as any other arbitral award on the substance of the dispute.

Sol 2. (b) Form and contents of arbitral award as per The Arbitration and Conciliation Act, 1996:-

(1) An arbitral award shall be made in writing and shall be signed by the members of the arbitral tribunal.

(2) For the purposes of sub-section (1), in arbitral proceedings with more than one arbitrator, the signatures of the majority of all the members of the arbitral tribunal shall be sufficient so long as the reason for any omitted signature is stated.

(3) The arbitral award shall state the reasons upon which it is based, unless-

(a) the parties have agreed that no reasons are to be given, or

(b) the award is an arbitral award on agreed terms under section 30.

(4) The arbitral award shall state its date and the place of arbitration as determined in accordance with Section 20 and the award shall be deemed to have been made at that place.

(5) After the arbitral award is made, a signed copy shall be delivered to each party.

(6) The arbitral tribunal may, at any time during the arbitral proceedings, make an interim arbitral award on any matter with respect to which it may make a final arbitral award.

(7) (a) Unless otherwise agreed by the parties, where and in so far as an arbitral award is for the payment of money, the arbitral tribunal may include

in the sum for which the award is made interest, at such rate as it deems reasonable, on the whole or any part of the money, for the whole or any part of the period between the date on which the cause of action arose and the date on which the award is made.

(b) A sum directed to be paid by an arbitral award shall, unless the award otherwise directs, carry interest at the rate of two per cent. higher than the current rate of interest prevalent on the date of award, from the date of award to the date of payment.

(8) The costs of an arbitration shall be fixed by the arbitral tribunal in accordance with section 31A.

Sol 2. (c) If the amount of gratuity payable under this Act is not paid by the employer, within the prescribed time, to the person entitled thereto, the controlling authority shall, on an application made to it in this behalf by the aggrieved person, issue a certificate for that amount to the Collector, who shall recover the same, together with compound interest thereon 1[at such rate as the Central Government may, by notification, specify], from the date of expiry of the prescribed time, as arrears of land revenue and pay the same to the person entitled thereto:

2[Provided that the controlling authority shall, before issuing a certificate under this section, give the employer a reasonable opportunity of showing cause against the issue of such certificate:

Provided further that the amount of interest payable under this section shall, in no case exceed the amount of gratuity payable under this Act.]

Sol 2. (d) Penalties under the payment of Gratuity act, 1972 are given below:-

(1) Whoever, for the purpose of avoiding any payment to be made by himself under this Act or of enabling any other person to avoid such payment, knowingly makes or causes to be made any false statement or false representation shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to 3[ten thousand rupees], or with both.

(2) An employer who contravenes, or makes default in complying with, any of the provisions of this Act or any rule or order made thereunder shall be punishable with imprisonment for a term 4[which shall not be less than three months but which may extend to one year, or with fine which shall not be less than ten thousand rupees but which may extend to twenty thousand rupees, or with both]:

Provided that where the offence relates to non-payment of any gratuity payable under this Act, the employer shall be punishable with imprisonment for a term which shall not be less than 5[six months but which may extend to two years] unless the court trying the offence, for reasons to be recorded by it in writing, is of opinion that a lesser term of imprisonment or the imposition of a fine would meet the ends of justice.

Sol .3 (a) As per sec 3 of Workmen's Compensation Act. 1923 Employer's liability for compensation is as below: -

(1) If personal injury is caused to a workman by accident arising out of and in the course of his employment his employer shall be liable to pay compensation in accordance with the provisions of this Chapter:

Provided that the employer shall not be so liable: -

(a) In respect of any injury which does not result in the total or partial disablement of the workman of a period exceeding three days;

(b) In respect of any injury not resulting in death or permanent total disablement caused by an accident which is directly attributable to-

The workman having been at the time thereof under the influence of drink or drugs or the willful disobedience of the workman to an order expressly given or to a rule expressly framed for the purpose of securing the safety of workmen or the willful removal or disregard by the workman of any safety workman.

(2) If a workman employed in any employment specified in Part A of Schedule III contracts any disease specified therein as an occupational disease peculiar to that employment or if a workman whilst in the service of an employer in whose service he has been employed for a continuous period of not less than six months (which period shall not include a period of service under any other employer in the same kind of employment) in any employment specified in Part B of Schedule III contracts any disease specified therein as an occupational disease peculiar to that employment or if a workman whilst in the service of one or more employers in any employment specified in Part C of Schedule III for such continuous period as the Central Government may specify in respect of each such employment contracts any disease specified therein as an occupational disease peculiar to that employment the contracting of the disease shall be deemed to be as injury by accident within the meaning of this section and unless the contrary is proved the accident shall be deemed to have arisen out of and in the course of the employment

(3) The Central Government or the State Government after giving by notification in the official Gazette not less than three months' notice of its intention so to do may by a like notification add any description of employment to the employments specified in Schedule III and shall specify in

the case of employments so added the diseases which shall be deemed for the purposes of this section to be occupational diseases peculiar to those employments respectively and thereupon the provisions of sub-section (2) shall apply in the case of a notification by the Central Government within the territories to which this Act extends or in case of and notification by the State Government within the State as if such disease had been declared by this Act to be occupational disease peculiar to those employments.

Save as provided by sub-section (2), (2A) and (3) no compensation shall be payable to a workman in respect of any disease unless the disease is directly attributable to a specific injury by accident arising out of and in the course of his employment. Nothing herein contained shall be deemed to confer any right to compensation on a workman in respect of any injury if he has instituted in a civil court a suit for damages in respect of the injury against the employer or any other person, and no suit for damages shall be maintainable by a workman in any court of law in respect of any injury-

(a) if he has instituted a claim to compensation in respect of the injury before a commissioner, or

(b) if an agreement has been come to between the workman and his employer providing for the payment of compensation in respect of the injury in accordance with the provisions of this Act.

Sol .3 (b) State Transmission Utility and functions.—(1) The State Government may notify the Board or a Government company as the State Transmission Utility: Provided that the State Transmission Utility shall not engage in the business of trading in electricity: Provided further that the State Government may transfer, and vest any property, interest in property, rights and liabilities connected with, and personnel involved in transmission of electricity, of such State Transmission Utility, to a company or companies to be incorporated under the Companies Act, to function as transmission licensee through a transfer scheme to be effected in the manner specified under Part XIII and such company or companies shall be deemed to be transmission licensees under this Act. (2) The functions of the State Transmission Utility shall be— (a) to undertake transmission of electricity through intra-State transmission system; (b) to discharge all functions of planning and co-ordination relating to intra-State transmission system with— (i) Central Transmission Utility; (ii) State Governments; (iii) generating companies; (iv) Regional Power Committees; (v)

Authority; (vi) licensees; (vii) any other person notified by the State Government in this behalf; (c) to ensure development of an efficient, coordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centers; (d) to provide non-discriminatory open access to its transmission system for use by— (i) any licensee or generating company on payment of the transmission charges; or 1. The words “and eliminated” omitted by Act 26 of 2007, s. 4 (w.e.f. 15-6-2007). 2. The third proviso omitted by s. 4, ibid. (w.e.f. 15-6-2007). 28 (ii) any consumer as and when such open access is provided by the State Commission under sub-section (2) of section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission: Provided that such surcharge shall be utilised for the purpose of meeting the requirement of current level cross-subsidy: Provided further that such surcharge and cross subsidies shall be progressively reduced 1*** in the manner as may be specified by the State Commission: 2* * * * * Provided also that the manner of payment and utilisation of the surcharge shall be specified by the State Commission: Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.

Sol .4 (a) “industrial dispute” means any dispute or difference between employers and employers, or between employers and workmen, or between workmen and workmen, which is c

onnected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person;

(b)) “strike” means a cessation of work by a body of persons employed in any industry acting in combination or a concerned refusal, or a refusal under a common understanding, of any number of persons who are or have been so employed to continue to work or to accept employment;

(c) “seasonal factory” means a factory which is exclusively engaged in one or more of the following manufacturing processes, namely, cotton ginning, cotton or jute pressing, decortication of groundnuts, the manufacture of coffee, indigo, lac, rubber, sugar (including gur) or tea or any manufacturing process which is incidental to or connected with any of the aforesaid processes and includes a factory which is engaged for a period not exceeding seven months in a year—

(d) “managing agent” means any person appointed or acting as the representative of another person for the purpose of carrying on such other person’s trade or business, but does not include an individual manager subordinate to an employer;

(e)) “power system” means all aspects of generation, transmission, distribution and supply of electricity and includes one or more of the following, namely:— (a) generating stations; (b) transmission or main transmission lines; (c) sub-stations; (d) tie-lines; (e) load despatch activities; (f) mains or distribution mains; (g) electric supply-lines; (h) overhead lines; (i) service lines; (j) works;

Sol .5 (a) As per Section 11 of Right to information Act 2005, Where a Central Public Information Officer or a State Public Information Officer, as the case may be, intends to disclose any information or record, or part thereof on a request made under this Act, which relates to or has been supplied by a third party and has been treated as confidential by that third party, the Central Public Information Officer or State Public Information Officer, as the case may be, shall, within five days from the receipt of the request, give a written notice to such third party of the request and of the fact that the Central Public Information Officer or State Public Information Officer, as the case may be, intends to disclose the information or record, or part thereof, and invite the third party to make a submission in writing or orally, regarding whether the information should be disclosed, and such submission of the third party shall be kept in view while taking a decision about disclosure of information

Sol .5 (b) 1. As per proviso to Section 7(5) of Right to information Act 2005, No such fee shall be charged from the persons who are of below poverty line as may be determined by the appropriate Government.

2. As per Section 7(6) of Right to information Act 2005, Notwithstanding anything contained in sub-section (5) of section 7, the person making request for the information shall be provided the information free of charge where a public authority fails to comply with the time limits specified in sub-section (1) of Section 7.

Sol .5 (c) Method of calculating wages:- In this Act and for the purposes thereof the expression "monthly wages" means the amount of wages deemed to be payable for a month's service (whether the wages are payable by the month or by whatever other period or at piece rates), and calculated] as follows, namely:—

(a) where the 1[employee] has, during a continuous period of not less than twelve months immediately preceding the accident, been in the service of the

employer who is liable to pay compensation, the monthly wages of the 1[employee] shall be one-twelfth of the total wages which have fallen due for payment to him by the employer in the last twelve months of that period;

2[(b) where the whole of the continuous period of service immediately preceding the accident during which the 1[employee] was in the service of the employer who is liable to pay the compensation was less than one month, the monthly wages of the 1[employee] shall be 3*** the average monthly amount which, during the twelve months immediately preceding the accident, was being earned by a 1[employee] employed on the same work by the same employer, or, if there was no 1[employee] so employed, by a 1[employee] employed on similar work in the same locality;

4[(c) 5[in other cases [including cases in which it is not possible for want of necessary information to calculate the monthly wages under clause (b)]], the monthly wages shall be thirty times the total wages earned in respect of the last continuous period of service immediately preceding the accident from the employer who is liable to pay compensation, divided by the number of days comprising such period.

Explanation.—A period of service shall, for the purposes of 7[this 8[section]] be deemed to be continuous which has not been interrupted by a period of absence from work exceeding fourteen days.