INDUSTRIAL DISPUTE PREVENTION: A CASE STUDY OF ONGC LTD.

Abstract:

The study of Industrial Dispute prevention involves the study of determining the types of disputes and their causes along with the settlement and prevention of disputes. What is the management attitude towards labour. A comparative analysis of strikes and lock out till 2006. Finally study gives the suggestions and conclusion about how to prevent the industrial dispute. The data for such study have been collected through various primary and secondary sources (mentioned in the references). At last the study talks about the case Incident of ONGC Ltd. causes of Industrial dispute, settlement of dispute, and the consequences of dispute to the country. Therefore there is an urgent need to recognise, reorient and restructure the settlement machinery to cope with the present day needs.

Keywords: Industrial Dispute Prevention, Management Attitude to labour, Settlement of dispute

Introduction

The problem of industrial dispute is common to almost all the developed and developing countries of the world. The development of capitalistic industry which means the control of the tools of productions by small entrepreneurs class has brought to the fore the acute problem of friction between management and labour throughout the world (Bhagoliwal 1976; 187-188). Industrialization has tended to create a hiatus between management /employers and workers, owing to the absence of workers ownership over means of production (Bhangoo, 1995; 130) this gap has led to industrial friction and conflicts, which ultimately cause industrial dispute.

A review of the existing literature suggests that employees in unionized workplace have significantly more voice mechanisms present than in non-unionized workplace. In India, trade unions have played the role of an agent of social and economic changes, protecting and
enhancing the interest of its members and trying to squeeze more and more out of management through bargaining or conflict.

Disputes and their resolutions has been a subject of intensive research for several decades now. While some scholars consider dispute as destructive, others consider as opportunities to create awareness about problems and improve internal management. Hellman (1993) perhaps brings out the dichotomy succinctly when he suggests that agreement is not necessarily good but neither is disagreement especially when people disagree for the sake of disagreeing, as a way to assert themselves and to avoid feeling dominated.

In the Indian context disputes under the Industrial Dispute Act, 1947, a dispute is raised when an employment contract is not carried out. The issues could include wage demands, union rivalry, political interference, unfair labour practices as described in the fifth schedule of the ID act, multiplicity of labour laws, industrial sickles etc. The dispute resolution framework under the ID Act consists of Conciliation, Arbitration and adjudication. Apart from this, in line with the theories of industrial jurisprudence, in the unionized context there is collective bargaining, establishment of work committee, discipline management and grievance resolution procedures, which help prevent dispute in the first place.

The first step in the resolution of dispute is their discovery and exposure. There are many upward communications that can be developed for the purpose of bringing dissatisfaction to the surface. Grievance procedure is perhaps the most significant means of discovering and resolving employee complaints and dissatisfactions. On the other hand, there is distinct possibility that the organization will become dissatisfied with the particular employee. Though the Skinner approach to operant conditioning of behaviour would preclude the use of punishment, typical practice of most organizations include programs of negative disciplinary action ending up with the
maximum penalty of discharge from the organizations.(Flippo). Powers has been concentrated in the hands of a few entrepreneurs, while a majority has been relegated to the insignificant position of mere wage-earners. The workers have now come to realize that most of their demands can be satisfied if they resort to concerted and collective action; while the employees are aware of the fact that they can resist these demands. This denial or refusal to meet their genuine demands has often led to dissatisfaction on the part of the workers, to their distress, and even to violent activities on their part, which has hindered production and harmed both the workers and the employees.

**Objectives of the study**

This study attempts to examine some vital dimensions of the industrial disputes in ONGC Ltd. The present study has been undertaken with a view that only a few studies on the subject have been conducted. The study has wider coverage and is a pioneer study on some important issues of industrial disputes. It attempts to analyze the issues in the changing economic scenario in the era of industrial deceleration, political turmoil, militancy, global crisis, liberalization, globalization and privatization. Some addressed issues in the study are as follows:

1. To examine the types of disputes in India
2. Dominating causes of Industrial disputes.
3. To analyze the industrial dispute and settlement and prevention of the disputes from various dimensions
4. To study the management attitude towards labour
5. Comparative analysis of strikes and lock out during the period(1985-2004)
6. Offering suggestions and implications for improvement.
Types of Industrial disputes

Industrial dispute may take the form of strikes, go-slow tactics, token strikes, and sympathetic strikes, pen-down strike, hunger strike, and bandhs gheraos and lock out. A strike is a stoppage of work, initiated or supported by a trade union, when a group of employees act together as a last resort to bring pressure to bear on an employer to resolve a grievance or constrain him to accept such terms and conditions of services as the employees want to enjoy. If however, an employer closes down his factory or place where his workers are employed, or if he refuses to continue in his employ a person or persons because he wants to force them to agree to his terms and conditions of services during the pendency of a dispute. The resulting situation is a lock out. (C B Mamoria)

Disputes according to the code of Industrial relations introduced in the United Kingdom in 1972 are of two kinds (I.L.O., Conciliation of Industrial Dispute, All India Management Association), first Indian edition. 1980, pp 13-14.

a) **Disputes of rights**, which relate to the application or interpretation of an existing agreement or contract of employment; and

b) **Disputes of Interest**, which relate to the claims by employee or proposals by a management about the terms and conditions of the employment.

According to the Industrial Dispute Act 1947, and many judicial decisions which have been handed over by courts and tribunals, industrial disputes may be raised on any one of the following issues:

- Fairness of the standing orders;
- Retrenchment of workers following the closing down of a factory, lay-offs, discharge or dismissal, reinstatement of dismissed employees, and the compensation for them;
• Benefits of an Award denied to a worker; non payment of personal allowance to seasonal employees; the demands of employees for medical relief for their parents;

• Wages, fixation wages and minimum rates, mode of payment, and the right of an employee to choose one of the awards when two awards on wages have been given;

• Lock-out and claim for damages by an employer because employees resorted to an illegal strike;

• Payment of hours, gratuity, provident fund, pension and traveling allowance;

• Disputes between rival union; and

• Disputes between employers and employees

**Paradoxes of Industrial Dispute**

Distributive Process

<table>
<thead>
<tr>
<th>Western Societies</th>
<th>Traditional Societies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Court System</td>
<td>Cultural Paradox</td>
</tr>
<tr>
<td>Dispute Resolved</td>
<td>Litigation Replaces</td>
</tr>
<tr>
<td>Through litigation</td>
<td>Meditation</td>
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</tbody>
</table>

(A) Consensual Predisposition

<table>
<thead>
<tr>
<th>Adversanare Predisposition</th>
<th>Cultural Paradox</th>
<th>Village Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meditation Provide Alternative to litigation (CADR)</td>
<td>Dispute Resolved Through Meditation (ODR)</td>
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</tr>
</tbody>
</table>

(B) Cultural Paradox

(D) Cultural Paradox

Integrative Process

(C Cultural Paradox

(Village Council

Consensual Predisposition

(Village Council

Consensual Predisposition

(C Cultural Paradox

(Village Council

Consensual Predisposition
Industrial Dispute

Weapons of labour
- Strike
- Boycott
- Picketing
- Gherao

Primary
- Economics
- General
- Stay-in
- Slow down

Weapons of Management
- Employers Association
- Lock Out
- Termination of Service
Graph - I

YEAR-WISE MANDAYS LOST DUE TO STRIKES AND LOCKOUTS:
YEAR 1985-2004

MANDAYS LOST (IN LAKHS)

YEAR


STRIKES

LOCKOUTS

INDUSTRIAL DISPUTES IN INDIA DURING THE YEAR 2004
Causes of Industrial Dispute

The disputes between the management and the workers may arise on account of the following factors:

1. **Economic Cause:** These causes may be classified as:
   
   o Demand for increase in wages on account of increase in all-India Consumer Price Index for Industrial Workers.
   
   o Demand for higher gratuity and other retirement benefits.
   
   o Demand for higher bonus.
   
   o Demand for certain allowances such as:
     
     o House rent allowance
     
     o Medical allowance
     
     o Night shift allowance
     
     o Conveyance allowance
     
     o Demand for paid holidays.
     
     o Reduction of working hours.
     
     o Better working conditions, etc.

2. **Political Causes:** Various political parties control Trade unions in India. In many cases, their leadership vests in the hands of persons who are more interested in achieving their political interests rather than the interests of the workers.

3. **Personnel Causes:** Sometimes, industrial disputes arise because of personnel problems like dismissal, retrenchment, layoff, transfer, promotion, etc.

4. **Indiscipline:** Industrial disputes also take place because of indiscipline and violence on the part of the workforce. The

   Managements to curb indiscipline and violence resort to lockouts.

5. **Environmental factors:**
   
   - Inflation
• Recession (market changes)
• Natural calamities
• Court decision
• Legislation or lack of legislation or changes
• Political interference
• Non-implementation of labour law.

6 Management factors:
• Attitudes (authoritarianism, autocratic, rigid)
• Refusal to recognize unions
• Inability to communicate effectively
• Discrimination in application of rules or procedures
• Violation of codes/agreement/laws/awards
• Playing off one union against another.

7 Trade union factors:
• Support for poor work ethics or for indiscipline
• Indulgence in violence/ assaults on management
• Providing protection for indiscipline workers
• Wages and allowances, Working conditions
• Workload productivity
• Quality
• Organization changes/ modernization/technological changes.
• Closure / lock-out/ sales/ mergers
Increase in disputes

In 2006, 31 industrial disputes resulted in strike action. This is the highest number since 1989. In spite of this, 2006 cannot be characterised as a year of great industrial unrest. A total of 11 thousand workers were involved in industrial action in 2006; in 2005 this was 29 thousand, and in 2004 104 thousand.

Working days lost, workers involved and disputes

<table>
<thead>
<tr>
<th>Cause Group</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages &amp; Allowances</td>
<td>21.3</td>
<td>20.4</td>
<td>26.2</td>
<td>21.8</td>
</tr>
<tr>
<td>Personnel</td>
<td>14.1</td>
<td>11.2</td>
<td>13.2</td>
<td>9.6</td>
</tr>
<tr>
<td>Retrenchment</td>
<td>2.2</td>
<td>2.4</td>
<td>0.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Lay-Off</td>
<td>0.4</td>
<td>0.6</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td>Indiscipline</td>
<td>29.9</td>
<td>36.9</td>
<td>40.4</td>
<td>41.6</td>
</tr>
<tr>
<td>Violence</td>
<td>0.9</td>
<td>1.9</td>
<td>0.9</td>
<td>0.4</td>
</tr>
<tr>
<td>Leave and Hours of Work/Shift Working</td>
<td>0.5</td>
<td>0.5</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Bonuses</td>
<td>6.7</td>
<td>6.7</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Inter/Intra Union Rivalry</td>
<td>0.4</td>
<td>0.6</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Non-implementation of agreements and awards etc.</td>
<td>3.1</td>
<td>1.1</td>
<td>1.1</td>
<td>0.9</td>
</tr>
<tr>
<td>Charter of Demands</td>
<td>10.5</td>
<td>8.8</td>
<td>5.7</td>
<td>7.1</td>
</tr>
<tr>
<td>Work Load</td>
<td>0.5</td>
<td>0.4</td>
<td>0.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Standing orders/rules/service conditions/safety measures</td>
<td>1.8</td>
<td>1.6</td>
<td>2.4</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Source: CBS
Fewer working days lost

At 16 thousand, the number of working days lost as a result of industrial action was substantially lower in 2006 than in preceding years. The number of days lost fluctuates strongly from year to year: from 9 thousand in 2000 to no fewer than 245 thousand in 2002. By far most of the working days lost in 2002 were the result of disputes in the construction sector.

Most strikes last less than a day

In 13 disputes, the duration of the strike was less than 1 day and in 17 cases it lasted 5 working days or longer. There were a few very long strikes, but as they involved only few workers relatively few working days were lost.

Industrial disputes by duration

Disputes for various reasons

Most working days are lost through disputes about privatisation or takeovers, and negotiations about collective labour agreements. Both these cost about 4.5 thousand working days. Strikes connected with closures cost 4 thousand working days.
Most days lost in transport and communication

More than half the working days lost were in the transport and communication sector (8.3 thousand). Disputes in this sector concerned mainly bus and tram companies, and concerned among other things working hours, violent behaviour towards workers, privatisation and dissatisfaction with management. The manufacturing industry came second, with 6.3 thousand working days lost. In this sector the disputes were about reorganisations and job losses as a result of factory closures and outsourcing.

Dispute Resolution in Indian Context

In the Indian context, since disputes are resolved under the ID Act, the emergence of the non unions firms would have no effect on the dispute resolution framework of conciliation, arbitration and adjudication in some specific cases. Under section 2A of the ID Act, “where any employer discharges, dismisses, retrenches or otherwise terminate the services of an individual workman, any dispute or difference between that workmen and his employer connected with, or arising out of, such discharge, dismissal, retrenchment, or termination shall be deemed to be an industrial dispute not withstanding that no other workman nor any union of workmen is a party
to dispute” However even here, whether the employee exercise these option in the first place is debatable as can be concluded from the preceding literature. With the emergence of non union forms, mechanism of industrial jurisprudence like collective bargaining, become redundant. However other mechanisms of providing voice to the employees and pre-empting disputes emerge in the non unionized workplaces. It emerges from the preceding discussion that for being successful though, these mechanism need to be efficient, user friendly, accessible, non-punitive and confidential. These include open door policy, peer reviewed panels, ombuds persons and employee involvement techniques.

Dispute resolution in India
The Dispute Resolution process in India mainly involves the following:

- Litigation
- Arbitration
- Conciliation
- Mediation

**Litigation process in India**

The litigation process in India is based on common law. It is largely based on English common law because of the long period of British colonial influence during the British Raj. There is a single hierarchy of courts in India. Much of contemporary Indian law shows substantial European and American influence. Various acts and ordinances first introduced by the British are still in effect in modified form today. During the drafting of the Indian Constitution, laws from Ireland, the United States, Britain, and France were all synthesized to get a refined set of Indian laws as it currently stands. Indian laws also adhere to the United Nations guidelines on human rights law and environmental law. Certain international trade laws, such as those on intellectual property, are also enforced in India. Each state drafts its own laws, however all the states have more or less the same laws. Laws directed by the central government and the Supreme Court of India via judicial precedent or general policy directives are binding on all citizens of each state. Each state has its own labor laws and taxation rates.

India’s judicial system is made up of the Supreme Court of India at the apex of the hierarchy for the entire country and twenty-one High Courts at the top of the hierarchy in each State. These courts have jurisdiction over a state, a union territory or a group of states and union territories. Below the High Courts are a hierarchy of subordinate courts such as the civil courts, family courts, criminal courts and various other district courts.

The High Courts are the principal civil courts of original jurisdiction in the state, and can try all offences including those punishable with death. However, the bulk of the work of most High
Courts consists of Appeals from lowers courts and writ petitions in terms of Article 226 of the Constitution of India. The precise jurisdiction of each High Court varies.

Each state is divided into judicial districts presided over by a 'District and Sessions Judge'. He is known as a District Judge when he presides over a civil case and a Sessions Judge when he presides over a criminal case. He is the highest judicial authority below a High Court judge. Below him, there are courts of civil jurisdiction, known by different names in different states.

Arbitration in India

The Applicable Arbitration Law


Previous statutory provisions on arbitration were contained in three different enactments, namely, the Arbitration Act, 1940, the Arbitration (Protocol and Convention) Act, 1937 and the Foreign Awards (Recognition and Enforcement) Act, 1961. The Arbitration and Conciliation Act, 1996 has repealed the Arbitration Act, 1940 and also the Acts of 1937 and 1961.

International Conventions on Arbitration

India is a party to the following conventions:

- The Geneva Protocol on Arbitration Clauses of 1923
- The Geneva Convention on the Execution of Foreign Arbitral Awards, 1927; and
There are no bilateral Conventions between India and any other country concerning arbitration.

**The Types of Arbitrations**

The Indian Arbitration and Conciliation Act, 1996 applies to both domestic arbitration in India and to international arbitration. Section 2(1)(f) of the Act defines "International Commercial Arbitration" as arbitration relating to disputes arising out of legal relationships, whether contractual or not, considered as commercial under the law in force in India where at least one of the parties is:

1. An individual who is a national of, or habitually resident in any country other than India; or
2. A body corporate which is incorporated in any country other than India; or
3. A company or an association or a body of individuals whose central management and control is exercised in any country other than India; or

**The Requirements of an Arbitration Agreement**

- Section 7(3) of the Act requires that the arbitration agreement must be in writing.
- Section 7(2) provides that it may be in the form of an arbitration clause in a contract or it may be in the form of a separate agreement.
- Under Section 7(4), an arbitration agreement is in writing, if it is contained in: (a) a document signed by the parties, (b) an exchange of letters, telex, telegrams or other means of telecommunication, providing a record of agreement, (c) or an exchange of claims and defense in which the existence of the agreement is alleged by one party and not denied by the other.
- In section 7(5), it is provided that a document containing an arbitration clause may be adopted by "reference", by a contract in writing.
Conciliation: Conciliation is process by which representatives of workers and employees are brought together before a third party with a view to persuading them to arrive at an agreement by mutual discussion between them. The Industrial Dispute Act, 1947 and other states enactments authorize the government to appoint conciliators charged with the duty of mediating in and promoting the settlement of industrial disputes. A conciliation officer may be appointed for specific area or for specified industries in a specific area or for one or more industries either permanently or for a limited period. In conciliation, the ultimate decision rests with the parties themselves but the conciliator may offer a solution to the dispute acceptable to both the parties and serve as a channel of communication. The parties may accept his recommendations for settlement of any dispute or reject it altogether. If conciliation fails, the next stage may be compulsory adjudication (Mandatory settlement of industrial dispute by labour courts or industrial tribunal or national tribunal under the Industrial Dispute Act, or under any other corresponding state affairs) or the parties may be left to their choice. In cases where a settlement is arrived at, they can record the settlement and in cases of failure of the conciliatory negotiations, they can send a failure report to the appropriate government.

Management Attitude towards Labour

Managements are generally are not willing to talk over any dispute with their employees or their representatives or refer it to arbitration even when trade unions wants them to do so.

A management unwillingness to recognize a particular trade union and the dilatory tactics to which it resorts while verifying the representative character of any trade union have been a very fruitful source of industrial strife. Even when representative trade unions have been recognized by employers, they do not, in a number of cases, delegate enough authority to their officials to negotiate with their workers, even though the representatives of workers are willing to commit themselves to a particular settlement.
Some of the other causes are:

- The absence of any suitable grievance redressal procedure, as result of which grievances go on accumulating and create a climate of unrest among the workers.
- When, during negotiations for the settlement of a dispute the representatives of employers unnecessarily and unjustifiably take the side of the management, tensions are created, which often lead to strikes, go-slow tactics or lock outs etc.
- The management insistence that they alone are responsible for recruitment, promotion, transfer, merit awards etc. and that they need not consult their employees in regard to any of these matters, generally annoys the workers, who become un-co-operative and unhelpful, and often resort to go slow tactics. As a result, tension builds up between the parties.
- The Services and benefits offered by a management to its employees do promote harmonious employer-employee relations. But a large number of management has not taken any steps to provide these benefits and services for their workers.

**Conclusion and suggestions**

Industrial disputes can be treated as an index variable for the industrial relations situation of a country. Industrial relations actors, i.e. government, employers, management, trade unions and workers have earnestly desired to achieve harmonious industrial relations. In the present study industrial disputes denote work stoppages as well as those differences that are reported and settled through the industrial relations machinery. A comparative analysis of strikes and lock out suggests that in absolute terms over the period of study the phenomenon of rising and emerging lock out started appearing on the industrial relations scene.

In 2006, 31 industrial disputes resulted in strike action. This is the highest number since 1989. In spite of this, 2006 cannot be characterised as a year of great industrial unrest. A total of 11 thousand workers were involved in industrial action in 2006; in 2005 this was 29 thousand,
and in 2004 104 thousand. At 16 thousand, the number of working days lost as a result of industrial action was substantially lower in 2006 than in preceding years. In 13 disputes, the duration of the strike was less than 1 day and in 17 cases it lasted 5 working days or longer. There were a few very long strikes, but as they involved only few workers relatively few working days were lost. Most working days are lost through disputes about privatisation or takeovers, and negotiations about collective labour agreements. Both these cost about 4.5 thousand working days. Strikes connected with closures cost 4 thousand working days. In India dispute resolution process mainly involves -Litigation, Arbitration, Conciliation, meditation

Despite best effort of all, dispute arises among people and organisation. It is important to discover these clashes of interest as quickly as possible through such means as gripe boxes, direct observation of behaviour, analysis of records. An open door attitude, personnel counselors, morale surveys, exit interviews, ombudsmen and ombudswomen and grievance procedure.

A grievance is a complaint that the employees feels is serious enough to justify some types of formal submission and action. It may be ridiculous and justified, but whether or not it is a grievance is up to the employees and not to the management. The usual steps in grievance procedure are:

- Conference among aggrieved employee, the supervisor and the union steward
- Conference between middle management and middle union leadership
- Conference between top management and top union leadership
- Arbitration

The manner of processing the grievance on any one level should follow the sequence of functions found in the scientific method i.e. Receive and define the grievance, get the facts, analyse and decide, apply the answer and follow up
Just as the individual makes certain demands upon the organization, so the organization expects certain things from its members. Codes of behaviour are established. For those individual who do not choose to confirm to the codes, negative disciplinary action must be applied. The supervisor should seek to condition behaviour and not merely to punish. In the application of penalties, the following guides have been found to be valuable:

- Disciplinary action should be administrative in private;
- An application of a penalty should always carry with it an explanation of what constitute proper behaviour;
- Disciplinary action should be applied by the immediate supervisor;
- Promptness is important in the taking of disciplinary action;
- Consistency in penalty is highly essential;
- An immediate supervisor should never be disciplined in the presence of his or her own subordinate;
- After the disciplinary action has been taken, the manager should attempt to assume a normal attitude towards the employee.

The basic method of conflict resolution advocated by behavioral scientist is problem solving and confrontation, a stance that approaches the 9, 9 leadership style in the managerial grid. Other commonly used approaches are withdrawal, smoothing, establishment subordinate goals, compromise, meditation, arbitration, and forcing. The conflict must be managed to produce long term organizational effectiveness.

Industrial relations are never a one-sided game but depend on the mutual understanding, faith, and goodwill of all the participants in the industrial relation system. The positive attitude of one party towards the whole issue demands the positive of the others. For effective dispute resolution and settlement of differences between labour and management, the best course is to prevent differences from developing into disputes. Even when the differences have developed into
disputes, it is desirable to secure their settlement through negotiations between the two parties. It must be tried by the concerned parties to minimize the duration of strikes and lockouts to assure the minimum loss of production and wages. It is also suggested that to curb the growing menace of lock-outs every effort should be made to prevent them, as they are highly intensive. For this purpose, new legislations may be enacted and the existing laws may be amended. One of the reasons for the present state of affairs is the poor performance and inefficiency of the State’s industrial relations machinery. Therefore there is a need to reorganize, reorient, and restructure this machinery according to the present day needs. There should be also an attempt to eliminate the corrupt practices, malpractices and irregularities committed by the officials.
A Case Study of ONGC Limited

Oil and Natural Gas Corporation Limited (ONGC) (incorporated on 23 June 1993) is an Indian public sector petroleum company. It is a Fortune global 500 companies ranked 335th, and contributes 77% of India's Crude oil production and 81% of India's natural gas production. It is the highest profit making corporation in India. It was set up as a Natural gas commission on 14 August 1956. Indian government holds 74.14% equity stake in this company. ONGC is engaged in exploration and production activities. It is involved in exploring for and exploiting hydrocarbons in 26 sedimentary basins of India. It produces about 30% of India's crude oil requirement. It owns and operates more than 11,000 kilometers of pipelines in India. Until recently (March 2007) it was the largest company in terms of market cap in India.

At ONGC so far no Industrial dispute was yet reported, but in the beginning of the year 2009, there occurred industrial dispute on 7th January 2009 which was called off on 9th January 2009. The reason for such kind of dispute was demand for higher wages. ONGC India’s biggest exploration company, and IOC suffered a loss of production after officers of state oil companies went on strike to demand higher pay. ONGC’s gas output fell by 66 percent, while its crude oil production declined to 270,000 barrels a day from 350,000 barrels, Production at Indian Oil, the
nation’s biggest refiner, dropped by about 30 percent. Indian Oil’s plants at Panipat, Mathura and Haldia were badly affected. Panipat in the northern state of Haryana has a capacity of 12 million metric tons, Mathura in Uttar Pradesh, near New Delhi, 8 million tons and Haldia in the eastern state of West Bengal 6 million tons. Indian Oil’s biggest refinery at Koyali in the western state of Gujarat, was partly affected by the strike, Bharat Petroleum Ltd., the nation’s second-biggest state refiner, was hurt a little by the strike while Hindustan Petroleum Ltd., the third-biggest, was unaffected, Bharat Petroleum may shut its 12 million-tons-a-year refinery in western India and a 7.5 million-tons-a-year plant in Kochi in the south after very few people reported for work.

At ONGC there was some difficulty in managing large installations such as offshore units. Contingency plans are in place to ensure that work continue Natural gas supplies on the Hazira-Vijaipur-Jagdishpur pipeline were shut after the strikes. Hardening their stand on pay revision, ONGC employees here today passed a resolution "to face any consequences" after the Gujarat Government invoked ESMA against striking officers of the oil PSUs

The state government invoked the Essential Services Maintenance Act (ESMA) against the officers, who went on indefinite strike from January 7, demanding a wage hike among other things."More than 2,000 employees (in) Ahmedabad, and 1,650 (in the) Mehsana division of ONGC have passed a resolution stating that we are ready to face any consequences no matter what happens," Association of Scientific and Technical Officers .To deal with the strike by Oil Sector Officers Association, the Directorate General of Civil Aviation (DGCA) has permitted senior officials of Indian Oil Corporation (IOC) to undertake refueling of aircraft at airports across the country.

“Such officers have undergone quality training and have recent field experience,” a government release said.DGCA has also set up a control room to deal with the situation. The release added that aviation wing officers of BPCL and HPCL are not participating in the strike. Striking officials of Indian Oil Corporation, ONGC and GAIL also called off a three-day-old strike on
9th January 2009 with the government cracking down threatening mass arrests under ESMA and NSA. Officials of BPCL had already called off their strike while Hindustan Petroleum had not joined the strike. ONGC has dismissed 64 officers across the country, including 11 from Assam, for taking part in last week's nationwide oil strike.

All of them were the members of the central executive council of the Association of Scientific and Technical Officers (ASTO). In the dismissal order, the ONGC director (human resources, New Delhi) said the strike was illegal. "In spite of being made aware of the provisions of Rule 10 (b) of the CDA Rules, 1994 of the company, under which no employee shall resort to or in any way abet any form of strike or coercion or physical duress with any matter pertaining to his service or the service of any other employee of the company ... Considering the circumstances of the case, it is not reasonably practical to hold an inquiry ... Therefore, in exercise of powers delegated under Rule 41 (B) & Rule 34 (VII) of CDA Rule, 1994, the undersigned (director, human resources ONGC) imposes a penalty of removal of service,"

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