

Time: 2:30 hours

Marks: 75

- Note- 1) All questions are compulsory.  
2) Figures to the right indicate full marks.  
3) Support your answer with illustration and diagram.

Q.1 (A) Match the following (Attempt any 7)

(7)

Column A		Column B	
1	Compensation Plan	A	Health Insurance
2	Indirect Compensation	B	Perquisite
3	Job evaluation	C	To link Internal Job evaluation to market salaries
4	Club Membership	D	To enforce a measure of Social Justice
5	Cost of living	E	Standards and Benchmarks
6	Identify key jobs or Benchmarks	F	Wages Level and population is closely linked
7	Payment of Gratuity Act 1972	G	Transformation of Employee into a stockholders
8	ESOP	H	Would exist even in perfect employment market
9	Subsistence Theory	I	External Factor influencing compensation
10	Occupational Wage Differential	J	Determining worth of Job

Q.1 (B) State the following are True or False (Attempt any 8)

(8)

- A. Maximum limit of Gratuity payable is of Rs.20Lakh as per Amendment made in March 2018.  
B. Employee's provident fund does not apply to industries with less than 20 employees.  
C. Equal remuneration means same salary to all employees of the company.  
D. Broad- banding allow greater flexibility in compensation.  
E. Marginal Productivity Theory is concerned with the influence exerted by demand and supply of labour.  
F. Profit sharing can never be on individual basis.  
G. Per day wages earned will be maintained at par in piece work plan.  
H. There is no provident fund facility available for unorganized sector  
I. As per Workmen Compensation Act there is one standard amount of compensation  
J. Factories Act, 1948 specifies every adult worker is required to work for more than 48 hours per week.

Q.2 Answer the following in brief

- A. Explain the residual claimant theory and also explain its criticisms. (7)  
B. Explain challenges in compensation management (8)

OR

- C. What is Human Resource accounting? Explain its features (8)  
D. What are the characteristics of Special Groups? Explain compensation management to Corporate Directors and Executives. (7)

Q.3 Answer the following in brief

- A. What are the factors contributing to the wages differentials? (8)
- B. Explain Compensation Scenario in India. (7)

OR

- C. Explain Payment of Bonus Act (8)
- D. What is profit sharing plan? What are its features? (7)

Q.4 Answer the following in brief

- A. What is financial compensation ? (7)
- B. Explained Skilled based compensation tools. (8)

OR

- C. Explain Subsistence Theory (8)
- D. What are the 3 'P's of compensation? (7)

Q.5 Answer the following in brief

- A. Explain the Steps in designing the compensation system. (7)
- B. What are the advantages and disadvantages of cafeteria approach? (8)

Q.5 Short notes. (Any Three) (15)

- C. Labour Market Model
- D. Non-Financial Benefits.
- E. Compensation to corporate directors
- F. Gain-Sharing Plan
- G. Internal Equity and External Equity as a factor influencing pay structure.

\*\*\*\*\*