

Duration: 2.1/2 hours

Marks: 75

Note: Figures to right indicate marks.

All questions are compulsory

**Q1A. Complete the sentence by selecting appropriate answer for any seven questions from the multiple choices given below: (07)**

1. .... is one type of non-financial compensation.  
a) Bonus b) Overtime policy c) Stock options d) Leave travel allowance
2. In ..... Model, the wage rate of any given occupation is set at the point where the supply of Labour equals demand for labour in the market place.  
a) Balancing equity b) The distributive justice model c) Labour market model d) None of these
3. According to section 51 of Factories Act, 1948, No adult worker should be required to work in a factory more than..... hours.  
a) 48 b) 52 c) 47 d) 45
4. An..... is an important mechanism that encourages and motivates managers to achieve organizational objectives.  
a) Provident Fund b) Increment c) Incentive d) None of these
- 5) In ..... pay, any salary increase that is awarded to the employee based on his or individual performance.  
a) Merit pay b) Piecework plan c) Team incentive plan d) Scanlon plan
- 6) ..... theory was developed by J.S. Mill in 1891.  
a) Wage fund theory b) Marginal productivity theory c) Residual Claimant theory d) None of these.
- 7) ..... is also known as severance package or Terminal agreement.  
a) Salary Progression curve b) E- compensation c) Golden Parachute d) None of these
- 8) Compensation is of financial and ..... types.  
a) Financial b) Economical c) Non- economical d) Non-financial
- 9) Compensation tools can be grouped into job-based and .....category.  
a) Job based b) Money based c) Skill based d) Performance based

10) Scanlon Plan was developed by .....

a) David Ricardo b) Joseph Scanlon c) John Scanlon d) David Scanlon

**Q1 B. State whether the following are true or false:**

**(08)**

1. Compensation represents both the intrinsic and extrinsic rewards.
2. Taxes like death, are unavoidable in managing compensation.
3. The pay structure of an organization has freedom for non-compliance with the prevailing laws and regulations of the country.
4. ESPS are regulated by the guidelines issued by the Securities Exchange Board of India (SEBI).
5. Pay survey analysis is the process of analyzing compensation data gathered from other employers in a survey of the relevant labor market.
6. Pay commission is a body who design pay structure framework for remunerating employees.
7. Job security is and always has been the primary consideration for most workers.
8. Labour laws and regulations normally have a specific influence on the wages and salary administration of an organization.
9. Compensation should not be fixed in such a way that they reward the employees adequately whenever they come up with the targeted performance levels and behaviour.
10. Incentives should be planed appropriate to the culture, characteristics and needs of the organization and its employees.

**Q2. A. What is compensation as per your understanding? Explain different types of compensation.**

**(07)**

**B. Elaborate with examples some modern methods of incentive plans?**

**(08)**

**Or**

**C. Explain HRA. Elaborate HRCA.**

**(07)**

**D. Discuss the Payment of Bonus Act, 1965.**

**(08)**

Q3. A. What are the benefits of compensation? (07)

B. What are the types of wage differentials? (08)

Or

C. Explain: a. Golden parachute b. New Pay (07)

D. Elaborate the given concepts:

a. Wage boards

b. Adjudication (08)

Q4. A. Explain the features of pay structure. (07)

B. Explain how technology is aiding incentive management. (08)

Or

C. Explain in detail, how do you compensate an expatriate and executives? (07)

D. Explain application of Equal Remuneration Act 1976. (08)

Q5. Write short notes on any three from the given five: (15)

1. 3P's of compensation
2. Wage Fund theory
3. Cafeteria approach
4. Ethics in compensation management.
5. Wage Boards

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