

Q.P. Code :02427

[Time: 2:30 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All main questions are compulsory.
 2. Figures to right is the total marks allotted to each main questions.
 3. Draw diagrams and explain with examples wherever applicable.

- Q.1 Answer the following (Any 2) 15**
- A) What is compensation plans? Explain the basic objectives of a compensation plan.
 - B) Explain the models of compensation tools.
 - C) Explain three Ps of compensation in brief.
- Q.2 Answer the following (Any 2) 15**
- A) Discuss the following incentive plans in brief:-
 - i) ESOP
 - ii) Gain sharing
 - iii) Piece work
 - B) State the factors contribution to wage differential.
 - C) State the residual claimant theory and Bargaining theory in brief.
- Q.3 Answer the following (Any 2) 15**
- A) How do you compensate special groups of employees? State some methods for the same.
 - B) State Human Resource Cost Accounting method in brief.
 - C) Discuss the advantages and disadvantages of cafeteria approach.
- Q.4 Answer the following (Any 2) 15**
- A) Explain employee provident funds and Miscellaneous provision Act 1952 in detail.
 - B) Explain the following concept:-
 - i) Objectives of Employee compensation Act 1923.
 - ii) Scope of payment of Bonus Act 1965.
 - iii) COBRA
 - C) Discuss the challenges in compensation management in brief.
- Q.5 Analyse the following case study:- 15**
- In 2015 an Indian Subsidiary of a multinational refinery became a Government of India Company. The government company had announced an ambitious expansion plan which meant doubling the workforce in less than 3 years. In 2015, at the time of wage revision, the union and management agreed to a two tier pay structure. Those already employed will be eligible for a higher grade and those who are recruited fresh will get a lower grade though jobs are similar in skill responsibility and effort. Both union and the management justified that this is an innovative practice widely followed in deregulated companies abroad particularly the airlines in western countries
- Questions:-
- A) Discuss the facts of case in brief. 03
 - B) Is it fair to have such an agreement? Give reasons for the same. 06
 - C) Would it create a situation of unequal pay? How do the company manage this agreement positively? 06