

**CB 03**

~~Roll No.:~~ Compensation &

Total No. of Printed Pages: 2

Total No. of Questions : 7 Benefits.

Maximum Marks: 60

Duration (hrs.): 3 hours

Note:

Question no. 1 is compulsory and carries 20 marks.

In addition to Q.1, there are six questions. Each question carries 10 marks. Each of these six questions has three sub-questions and each sub-question would carry 05 marks.

Attempt any four out of the remaining six questions and within each question; attempt any two out of three sub-questions.

Q.1 (20 Marks)

What are the important factors you will consider while designing Compensation and Reward Structures. An organization goes through different life cycle i.e. Infancy stage, Growth stage, Maturity stage and Decline stage. Explain how would the compensation strategy change at each stage of organization life cycle.

Q.2

(a) Short term incentives with sample of sales and non-sales incentive (5 Marks)

(b) Living wage and fair wage (5 Marks)

(c) Theories of wage determination (5 Marks)

Q.3

(a) Design a flexible pay structure for a candidate with a total cost to company of Rs.1,100,000/- p.a. (5 Marks)

(b) Explain the term Minimum Wages in India. What is the procedure of fixing and revising minimum wages. Explain some problems related to minimum wages in India. (5 Marks)

(c) Broad Band Pay Plan (5 Marks)

Q.4

- (a) What do you mean by Job Evaluation. What are the different methods of doing Job Evaluation. Explain the Point Rating Method of Job Evaluation in detail. (5 Marks)
- (b) Compensation Trends in India (5 Marks)
- (c) Hot skills program (5 Marks)

Q.5

- (a) Discuss the compensation trends in India. What are the important factors you will consider while designing compensation structure for a company. (5 Marks)
- (b) What do you mean by Job Analysis. What are the different aspects of Job Analysis. Mention the different methodologies of Job Analysis. (5 Marks)
- (c) Explain Wage Board (5 Marks)

Q.6

- (a) Explain Executive Compensation. What are the factors affecting executive compensation. (5 Marks)
- (b) Explain the terms Compensation, Remuneration, Benefits and Perquisites. (5 Marks)
- (c) What do you mean by Total Rewards. (5 Marks)

Q.7

- (a) Mr XYZ retired as Production Manager from ABC Ltd. on 14<sup>th</sup> August, 2013. He joined the company as Trainee Engineer on 2<sup>nd</sup> January, 1985. The last salary drawn by Mr XYZ was Rs.25,000/-. Calculate the Gratuity amount and advise if the Gratuity will be taxed. (5 Marks)
- (b) Calculate bonus for an employee for the financial year 2011 – 12 with the help of following information.  
Date of Joining the company: 1<sup>st</sup> June, 2013.  
Basic + D.A. : Rs.7,000/- p.m.  
The company has declared 8.33% bonus. (5 Marks)
- (c) Employee Discounted Share Scheme, Employee Stock Option Plan and Phantom Stock Option Scheme (5 Marks)