

MBA
FOURTH SEMESTER (SPECIAL REPEAT)
COMPENSATION MANAGEMENT & WELFARE LAWS
MBA-403 B

(Use separate answer scripts for Objective & Descriptive)

Duration : 3 hrs.

Full Marks : 70

[PART-A : Objective]

Time : 20 min.

Marks : 20

Choose the correct answer from the following:

1X20=20

1. Which of the following is regarded as Iron Law of Wage?
 - a. Marginal Productivity Theory
 - b. Subsistence Theory
 - c. Wage Fund Theory
 - d. Residual Claimant Theory
2. Which of the following cannot be regarded as a method of State Regulation of Wages?
 - a. Wage Boards
 - b. A Statutory Minimum Wage
 - c. Adjudication and arbitration awards
 - d. Collective Bargaining
3. Which of the following has adopted the principle of fair wages in India?
 - a. The Minimum Wages Act
 - b. The Equal Remuneration Act
 - c. The Wage Boards
 - d. None of the above
4. Which one of the following is an example of Golden-Handshake Scheme?
 - a. Superannuation Retirement
 - b. Voluntary Retirement
 - c. Compulsory Retirement
 - d. Retirement on account of disablement
5. Which of the following statements with regard to labour welfare is not correct?
 - a. Welfare is an absolute concept
 - b. Welfare is a social concept.
 - c. Welfare is a relative concept.
 - d. Welfare is a positive concept
6. Which of the following is not a type of wage differentials?
 - a. Social
 - b. Occupational
 - c. Geographical
 - d. Industrial
7. _____ refers to monetary benefits offered and provided to employees in return of the services they provide to the organization.
 - a. Indirect Compensation
 - b. Direct Compensation
 - c. Performance compensation
 - d. None of the above
8. Which of the following is paid only at the time of employees exit after serving more than five years?
 - a. Perquisites
 - b. Gratuity
 - c. Claims
 - d. Allowances
9. A fair day work for fair day pay' denotes a sense of _____ felt by employees.
 - a. Equity
 - b. Responsibility
 - c. Happiness
 - d. Respect
10. Which of the following factor influence(s) employee compensation?
 - a. Labour market
 - b. Cost of living
 - c. Labour unions
 - d. All of the above

11. Under Employee provident fund provision Act 1952, The employer has to contribute % of Wages or Salary of employee per month
- | | |
|---------|---------|
| a. 7.5% | b. 9% |
| c. 7% | d. 8.5% |
12. Article under the directive principle of state policy of Indian Constitution enjoins upon the state to Secure equal pay for equal work for both Men & Women
- | | |
|-------|-------|
| a. 39 | b. 32 |
| c. 31 | d. 27 |
13. Sixth pay Commission recommends hike in Salary of government employee
- | | |
|--------|--------|
| a. 30% | b. 80% |
| c. 40% | d. 10% |
14. Providing equal pay for jobs of equal nature based on job evaluation ensures _____ in compensation administration.
- | | |
|--------------------|--------------------|
| a. Internal equity | b. External equity |
| c. Both a & b | d. Neither a & b |
15. Insurance schemes, retirement benefits and leave travel concession are examples of
- | | |
|---------------------------------|-----------------------------------|
| a. Direct monetary compensation | b. Indirect monetary compensation |
| c. Reward compensation | d. Incentive compensation |
16. _____ ensure that the employees get an income which is sufficient for meeting their present and future necessities and contingencies.
- | | |
|------------------|---------------|
| a. Minimum wages | b. Fair wages |
| c. Living wages | d. Real wages |
17. If in an accounting year, the allocable surplus calculated after taking into account the amount 'set on' or the amount 'set off' exceeds the minimum bonus, the employer should pay bonus in proportion to the salary or wages earned by the employee in that accounting year subject to a maximum of % of such salary or wages.
- | | |
|--------|--------|
| a. 20% | b. 25% |
| c. 30% | d. 10% |
18. Under this Act, employer shall not be liable to pay compensation in respect of any injury which does not result in the total or partial disablement of the workman for a period exceedingdays.
- | | |
|------|------|
| a. 7 | b. 3 |
| c. 5 | d. 2 |
19. The employer shall arrange to pay the amount of gratuity within _____days from the date it becomes payable to the person.
- | | |
|-------|-------|
| a. 15 | b. 45 |
| c. 30 | d. 60 |
20. The total amount of deductions from wages of employees should not exceed ----- percentage.
- | | |
|--------|--------|
| a. 70% | b. 25% |
| c. 40% | d. 50% |
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(PART-B : Descriptive)

Time : 2 hrs. 40 min.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. Critically analyse the significance of various Incentive Payment methods that followed in Indian organisations. 10
2. What do you mean by Wage? Discuss any three theories of Wage and their impact on employees and employers. 2+8=10
3. Why the Payment of Wages Act, 1936 was enacted? According to this act, what should be the duration for payment of wages to the employees based on total number of employees in an organisation? Mention the various authorised deductions from wages that can be practiced by the authority of an organisation. 2+2+6=10
4. Mention the various schemes of the Employees Provident Fund (Miscellaneous Provisions) Act, 1952. Briefly mention the different contribution system to the various schemes of this act.
A person "X" is an employee of an organisation 'ABC', whose basic salary is 30,000 pm and the organisation is providing 12% DA to their employees. Now calculate the various contributions for both the parties of employee and employer to different schemes of the Employees Provident Fund (Miscellaneous Provisions) Act, 1952. 2+3+5=10
5. What do you mean by Compensation? What are the different types of compensation found in organisation? Is there any relation between Fringe benefit and employee welfare? Justify your answer. 2+3+5=10
6. How the various elements of Executive Compensation system are different from elements of Employees Compensation system? How ESOP and Flexi-time schedule can motivate employee in organisation? 6+4=10
7. What do you mean by Bonus? What is the minimum and maximum rate of bonus payment? How Bonus is calculated? Explain set on and set off condition of the Payment of Bonus Act, 1965 with example. 1+2+2+5=10
8. a. How Gratuity amount is calculated? What is maximum ceiling on the amount of gratuity for various sector? On what conditions, gratuity amount can be forfeited from the employees by the organisation? 1+2+3=6
b. Mention the conditions of Employers' Liability for compensation according to the Workmen Compensation Act, 1923. 4

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