

PGDM (Insurance Business Management), 2020-22
Employee Benefit
INS-402
Trimester – IV, End-Term Examination, September, 2021

Time allowed: 2½ Hours

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the answer sheet.

Note: Please be relevant and brief in your answers. Section B is compulsory.

Section-A

There are 3 questions in this section. Each question carries 10 marks. (Min. 200 words)

A-1. **Why** a package of attractive employee benefit schemes is needed ? List five non-financial new age employee benefits offered by progressive employers (CILO 1)

OR

A-1. **Discuss** in brief three most commonly used defined benefit schemes in India . Why employers in current times for preferring “Defined Contribution” over the “Defined Benefit”? (CILO 1)

A-2. **What** are the changes proposed about payment of gratuity in new social code ? Are these proposed changes in sync with current realities ? **Justify** your stand. (CILO 2)

OR

A-2. **Discuss** the provision of “free cover limit” in a group life policy contract . What are the three different used approaches of deciding about life cover for the members ? (CILO 2)

A-3 **Why** is the option of involving a life insurance company in funding of deferred liabilities is preferred over all other choices ? What is the benefit associated with provision of “future service liability” in a group gratuity scheme? (CILO 3)

OR

A-3. **Outline** the steps involved in getting a retirement schemes approved ? **Explain** in brief the income tax related benefits associated with a superannuation schemes for an employer & employee. (CILO 3)

Section C

Case Study

20 Marks

(CILO 3)

MPR corporation started a manufacturing in 2018 offering auto parts to leading OEM companies in India. Their business volume gone up significantly & at present they have around 750 shop floor & around 150 office staff.

They have been compliant with all the necessary employee benefits requirement. However , looking at the competition in the market & with the fear of loosing technically skillfull staff , they are now open to offer additional schemes. They have a limited budget for this initiative.

You have been deputed by your insurance broking firm to explore & engage this new client.

Q 1 : Identify five insurance linked schemes in order of the premium involved (Staring from least expensive scheme) & share a brief & reasoning for their recommendation.

Q 2 : Give reasoning to their HR / Finance manager as to why they should go for the trust model for management of their employee related liabilities .

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