

### Top 50 Questions for BST

- Q1.** Akash Industries has installed a waste recycling plant in its premises and does not dump their waste material anymore. This plant is providing employment to many people. Identify the objective of management which the company is achieving by doing the aforesaid activity.  
**17 May 2024 (Shift 2A)**  
(a) Social objective (b) Economic objective  
(c) Personal objective (d) Growth
- Q2.** Name the concept that is considered as the common thread that runs through all activities such as purchase, production, sales and finance to ensure continuity in the working of the organisation.  
**2<sup>nd</sup> June 2023 (Shift 3)**  
(a) Coordination (b) Communication  
(c) Organising (d) Directing
- Q3.** Which of the following is incorrect about profession?  
**11<sup>th</sup> June 2023 (Shift 3)**  
(a) All professions are based on a well-defined body of knowledge  
(b) The entry to a profession is free without restriction  
(c) All professions are bound by a code of conduct  
(d) The basic motive of a profession is to serve their client's interests
- Q4.** Mr. Hari is given the responsibility of formulation of strategies for the achievement of organisational goals. Identify the level of Management at which Mr. Hari is working.  
**12<sup>th</sup> June 2023 (Shift 2)**  
(a) Top Management  
(b) Middle Management  
(c) Operational Management  
(d) Supervisory Management
- Q5.** Arrange the process of management in a sequence:  
(A) Organising (B) Controlling  
(C) Staffing (D) Planning  
(E) Directing  
Choose the **correct** answer from the options given below: **10<sup>th</sup> June 2023 (Shift 3)**  
(a) E, B, A, C, D (b) A, B, C, D, E  
(c) D, C, A, B, E (d) D, A, C, E, B
- Q6.** Select the characteristics of management from the following.  
(A) Management is a tangible force  
(B) Management is an individual activity  
(C) Management is multi-dimensional  
(D) Management is not a continuous process  
(E) Management is a dynamic function  
Choose the correct answer from the options given below: **2<sup>nd</sup> June 2023 (Shift 3)**  
(a) A and C only (b) B and E only  
(c) B and C only (d) C and E only
- Q7.** Which of the following statements are correct.  
(A) Planning is the last function of management  
(B) Management is a profession  
(C) There is no restriction on anyone being designated or appointed as a manager in a business enterprise  
(D) An enterprise cannot be both effective and efficient  
(E) The chief executive officer belongs to top management level  
Choose the **correct** answer from the options given below: **2<sup>nd</sup> June 2023 (Shift 3)**  
(a) A and E only  
(b) B and C only  
(c) D and E only  
(d) C and E only
- Q8.** Which of the following statement is **incorrect**?  
**12<sup>th</sup> June 2023 (Shift 3)**  
(a) In Motion study unnecessary movements are sought to be eliminated so that it takes less time to complete the job efficiently

- (b) The objective of Time study is to determine the number of workers to be employed.
- (c) The objective of Method study is to find variety of ways of doing one job to bring out creativity in work.
- (d) Fatigue study seeks to determine the amount and frequency of rest in completing a task.

**Q9.** "The principles of management are not rigid prescriptions, these can be modified by the manager when the situation so demands."

What nature of principles of management has been indicated in above statement?

**29th May, 2023 (Shift 3)**

- (a) General guidelines (b) Flexible
- (c) Contingent (d) Mainly behavioural

**Q10.** In which Departments did Taylor divide the work of Factory Manager?

- (A) Department of Planning
- (B) Department Of Production
- (C) Department of Research
- (D) Department of Marketing

Choose the **correct** answer from the options given below: **7th June 2023 (Shift 3)**

- (a) (A), (B) and (C) only (b) (A) and (B) Only
- (c) (C) and (D) only (d) (A) and (D) Only

**Q11.** Considering the principle of scientific management. Identify the principles not given by "F.W. Taylor".

- (A) Scalar Chain
- (B) Order
- (C) Harmony not Discord
- (D) Unity of Direction
- (E) Cooperation not individualism

Choose the **correct** answer from the options given below: **28th May 2023 (Shift 1)**

- (a) (B), (C) and (D) only
- (b) (A), (B) and (D) only
- (c) (A), (B) and (C) only
- (d) (C), (A) and (D) only

**Q12.** Match List - I with List - II

| List-I |                         | List-II |                          |
|--------|-------------------------|---------|--------------------------|
| A.     | Fredrick Winslow Taylor | I.      | Need Hierarchy Theory    |
| B.     | Henri Fayol             | II.     | Marketing                |
| C.     | Abraham Maslow          | III.    | Scientific Management    |
| D.     | Phillip Kolter          | IV.     | Principles of Management |

Choose the **correct** answer from the options given below: **2nd June 2023 (Shift 3)**

- (a) A-IV, B-I, C-II, D-III
- (b) A-III, B-II, C-I, D-IV
- (c) A-IV, B-III, C-II, D-I
- (d) A-III, B-IV, C-I, D-II

**Q13.** Under which dimension of business environment is "Online Booking of Air Tickets" included?

**17th May 2024 (Shift 2A)**

- (a) Legal dimension (b) Economic dimension
- (c) Technical dimension (d) Social dimension

**Q14.** Which of the following is a part of social environment? **2nd June 2023 (Shift 3)**

- (a) Stock market indices
- (b) Customs and traditions
- (c) Computerised information kiosks
- (d) The nature of relationship of our country with foreign countries

**Q15.** Many companies are making use of new technologies like AI (Artificial Intelligence) to increase effectiveness and efficiency of their business. Which of the following points regarding Importance of Business Environment does this statement reflect?

**10th June 2023 (Shift 3)**

- (a) It helps in assisting planning
- (b) It helps in coping with rapid changes
- (c) It helps the firm to identify threats and early warning signals
- (d) It helps in tapping useful resources

**Q16.** Which of the followings are correct about business environment?

- (A) Business environment is the sum total of all things external to business firm

- (B) Business environment is the sum total of all things internal to business firm  
 (C) Customers and suppliers are general forces of business environment  
 (D) Customers and suppliers are specific forces of business environment  
 (E) Different parts of business environment are inter-related

Choose the **correct** answer from the options given below: **2<sup>nd</sup> June 2023 (Shift 3)**

- (a) A, C and E Only (b) A, B and C only  
 (c) C and D only (d) A, D and E only

**Q17.** Choose the combination showing Importance of Business Environment.

- (A) Complexity  
 (B) Dynamic  
 (C) Uncertain  
 (D) First mover advantage  
 (E) Early warning signals

Choose the **correct** answer from the options given below: **7<sup>th</sup> June 2023 (Shift 3)**

- (a) (A) and (B) Only (b) (B) and (C) only  
 (c) (B), (C) and (D) only (d) (D) and (E) only

**Q18.** Match list I with list II

| LIST I |                           | LIST II |   |
|--------|---------------------------|---------|---|
| A.     | Political environment     | I.      | Consumption & habits pattern of household                           |
| B.     | Economic environment      | II.     | Scientific improvements and innovations                             |
| C.     | Social environment        | III.    | General stability of elected govt and its attitude towards business |
| D.     | Technological environment | IV.     | Change in interest rate, inflation and disposable income            |

Choose the correct answer from the options given below: **12<sup>th</sup> June 2023 (Shift 3)**

- (a) A-IV, B-III, C-I, D-II  
 (b) A-III, B-IV, C-I, D-II  
 (c) A-II, B-I, C-III, D-IV  
 (d) A-I, B-II, C-III, D-IV

**Q19.** "Planning provides the basis of all other functions." Identify the feature of planning.

**1<sup>st</sup> June 2023 (Shift 1)**

- (a) Planning focuses on achieving objectives  
 (b) Planning is pervasive  
 (c) Planning is continuous  
 (d) Planning is a primary function

**Q20.** "A company recruits fresh engineers only from top institutes like IITs each year". This represents which type of plan?

**10<sup>th</sup> June 2023 (Shift 3)**

- (a) Policy (b) Objective  
 (c) Strategy (d) Rule

**Q21.** These plans are strict, rigid and specific statements that inform what is to be done.

**11<sup>th</sup> June 2023 (Shift 3)**

- (a) Policy (b) Rule  
 (c) Objective (d) Procedure

**Q22.** Mr. Raj is the MD of the wrist watch company. He has systematically divided the work among all the departments to ensure clarity in thought and action, so that work is carried on smoothly without any interruptions. Identify the importance of planning highlighted in the above case.

**6<sup>th</sup> October, 2022 (Shift 1)**

- (a) Planning reduces overlapping and wasteful activities  
 (b) Planning promotes innovative ideas  
 (c) Planning facilitates decision making  
 (d) Planning reduces the risk of uncertainty

**Q23.** Identify the Right sequence of the Planning process:

- (A) Developing premises  
 (B) Identifying alternative courses of action

- (C) Evaluating alternative courses
- (D) Selecting an alternative
- (E) Setting objectives

Choose the correct answer from the options given below:

**1<sup>st</sup> June 2023 (Shift 1)**

- (a) (A), (E), (B), (C), (D)      (b) (A), (B), (C), (E), (D)
- (c) (E), (A), (B), (C), (D)      (d) (E), (B), (A), (C), (D)

**Q24. Match List - I with List - II**

| List-I |           | List-II |                               |
|--------|-----------|---------|-------------------------------|
| (A)    | Rule      | (I)     | Specific statements           |
| (B)    | Programme | (II)    | Detailed statements           |
| (C)    | Budget    | (III)   | Statement of expected results |
| (D)    | Policy    | (IV)    | Guide to thinking             |

Choose the **correct** answer from the options given below:

**5<sup>th</sup> June 2023 (Shift 1)**

- (a) (A)-(I), (B)-(II), (C)-(IV), (D)-(III)
- (b) (A)-(I), (B)-(III), (C)-(II), (D)-(IV)
- (c) (A)-(I), (B)-(IV), (C)-(III), (D)-(II)
- (d) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)

**Directions (Q25-Q29): Answer the following questions on the basis of given case.**

On Monday, an urgent meeting was called by administrative head of ABC Ltd. The company has been witnessing various problems such as wastages of resources, ambiguity in transfer of information and inefficient Administration. Thus, organisational restructuring was need of the hour. The HR manager stated that "the company needs to specify relationship between people, work and resources." Thus suggest an organisational structure based on the similar functions performed. Whereas marketing manager is of the opinion that company should be structured based on product line of the company. The meeting went for an hour and adjourned for next Monday and both the managers were called with valid justification for their claims.

**28th May 2023 (Shift 1)**

**Q25.** Which function of management is highlighted in the above case?

- (a) Planning                              (b) Directing
- (c) Organising                          (d) Staffing

**Q26.** Which type of organisational structure is advocated by the HR Manager of ABC Ltd.

- (a) Divisional                              (b) Formal
- (c) Functional                              (d) Informal

**Q27.** Which type of Organisational Structure is advocated by the marketing manager?

- (a) Divisional                              (b) Informal
- (c) Formal                                  (d) Functional

**Q28.** The company has been facing problems of ambiguity in transfer of information among the employees. Which importance of organising helps in removing this problem?

- (a) Benefits of Specialisation
- (b) Clarity in working relationships
- (c) Adaptation to change
- (d) Effective Administration

**Q29.** Which of the following statement can strengthen the claim made by the Marketing Manager?

- (a) Our Organisation is large Organisation
- (b) We have issue of wastages of resources so this type of structure is good
- (c) We deal in large product line like cosmetics, garments, footwear etc.
- (d) It would not lead to increase in costs.

**Q30.** "It is a joint programme of training in which educational institutions and business firms cooperate." **17th May 2024 (Shift 2A)**

Identify the method of training.

- (a) Vestibule training
- (b) Apprenticeship training
- (c) Internship training
- (d) Job rotation

**Q31.** Which one is not a merit of External sources of Recruitment? **1<sup>st</sup> June 2023 (Shift 1)**

- (a) Wider choice
- (b) Fresh Talent
- (c) Competitive spirit
- (d) Dissatisfaction among existing employees

**Q32.** Identify the right sequence of steps in the process of recruitment.

- (A) Choosing the sources
- (B) Assessment of their validity
- (C) Inviting Applications from prospective Candidates
- (D) Identification of different sources Of Labour supply

Choose the **correct** answer from the options given below: **1<sup>st</sup> June 2023 (Shift 1)**

- (a) (C), (D), (A), (B)
- (b) (D), (B), (A), (C)
- (c) (C), (B), (A), (D)
- (d) (D), (C), (A), (B)

**Q33.** Consider the following facts about Training and Development. **1<sup>st</sup> June 2023 (Shift 1)**

- (A) Training is career oriented.
- (B) Development is the process of learning and growth.
- (C) Training increases knowledge and skills.
- (D) Training prepares employees for current job performance.
- (E) Development is the process of increasing the knowledge and understanding of employees.

Choose the **correct** answer from the options given below:

- (a) (A), (C) and (D) only
- (b) (B), (C) and (D) only
- (c) (B), (D) and (E) only
- (d) (A), (B) and (E) only

**Q34.** External sources of recruitment include:

- (A) Direct recruitment
- (B) Casual callers
- (C) Campus recruitment
- (D) Transfers
- (E) Promotions

Choose the correct answer from the options given below: **31 May 2023 Shift 3**

- (a) A, B, C, D, and E only
- (b) A, B, C and D only
- (c) B, C and D only
- (d) A, B and C only

**Q35.** Match **List - I** with **List - II**

| List-I |   | List-II |                           |
|--------|---|---------|---------------------------|
| (A)    | Put the trainee under the guidance of a master worker                             | (I)     | Internship Training       |
| (B)    | Trainee is being groomed to replace the senior manager                            | (II)    | Job Rotation              |
| (C)    | Shifting the trainee from one job to another                                      | (III)   | Coaching                  |
| (D)    | Joint programme of training framed by educational institutions and business firms | (IV)    | Apprenticeship Programmes |

Choose the **correct** answer from the options given below: **5<sup>th</sup> June 2023 (Shift 1)**

- (a) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
- (b) (A)-(III), (B)-(IV), (C)-(I), (D)-(II)
- (c) (A)-(II), (B)-(III), (C)-(IV), (D)-(I)
- (d) (A)-(I), (B)-(IV), (C)-(II), (D)-(III)

**Direction (Q36-Q40): Read the following passage and answer question. 12<sup>th</sup> June 2023 (Shift 3)**

Mr. Thaapar is the General Manager of a company named XYZ Ltd. for 12 years. He manages 150 employees with his effective leadership, motivation and communication. He encourages his sub-ordinates in decision-making and respects everyone's ideas and opinions. Once, passing by the production department, Mr. Thaapar overheard Mr. Rohan, foreman of production department, was discussing about his financial condition on phone with his friend. Mr. Thaapar decided to give him the necessary help in near future in the upcoming appraisal in the form of increased incentive bonus. He also observed that Ms. Heena, Sr, Executive. is very much excited whenever she is given challenging work. Mr. Thaapar decided to reward her in the best possible way and hence he sent her an email stating about her promotion to a higher level which gave her more autonomy and power.

**Q36.** How did Mr. Thaapar came to know about the financial issues being faced by Mr. Rohan?

- (a) Formal Communication
- (b) Informal Communication
- (c) Email
- (d) Face to Face Communication

**Q37.** What type of leader Mr. Thaapar is?

- (a) Autocratic Leader
- (b) Democratic Leader
- (c) Laissez faire leader
- (d) Authoritarian Leader

**Q38.** Mr. Thaapar decides to help Mr. Rohan in which form of Incentive?

- (a) Job Security
- (b) Non-Financial
- (c) Financial
- (d) Job enrichment

**Q39.** Mr. Thaapar used \_\_\_\_\_ communication method to inform Ms. Heena

- (a) Informal
- (b) Grapevine
- (c) Formal
- (d) Horizontal

**Q40.** 'Ms. Heena. Sr. Executive. is very much excited whenever she is given challenging work.' Identify the incentive highlighted in the above sentence.

- (a) Transfer
- (b) Co-partnership
- (c) Job Enrichment
- (d) Employee Participation

**Q41.** Controlling function of an organisation is \_\_\_\_

- (a) Forward looking
- (b) Backward looking
- (c) Both forward and backward looking
- (d) Neither forward nor backward looking

**6th October, 2022 (Shift 1)**

**Q42.** A company has replaced their obsolete machinery with a Hi-Tech machine as it could not achieve its target in the previous month due to slow production process. Which step in the process of controlling is executed by the company?

- (a) Measurement of actual performance
- (b) Comparing actual performance with standards
- (c) Analysing deviations
- (d) Taking Corrective action

**29th May, 2023 (Shift 3)**

**Q43.** "Others factors remaining the same, a trading business requires less working capital". Choose the factor that does not affect the working capital of company. **5<sup>th</sup> June 2023 (Shift 1)**

- (A) Regulatory Frame Work
- (B) Diversification
- (C) Level of Collaboration
- (D) Operating Efficiency
- (E) Inflation

Choose the **correct** answer from the options given below:

- (a) (A), (C) and (D) only
- (b) (A), (B) and (C) only
- (c) (A), (C) and (E) only
- (d) (A), (B) and (D) only



**Q44.** Factors affecting Financing Decisions includes:

**10<sup>th</sup> June 2023 (Shift 3)**

- (A) Cost
- (B) Risk
- (C) Floatation cost
- (D) Cash flow position of the company
- (E) Taxation Policy

Choose the **correct** answer from the options given below:

- (a) A, B and D only
- (b) A, B, C only
- (c) D and E only
- (d) A, B, C and D only
- (d) (A)-(IV), (B)-(III), (C)-(I), (D)-(II)

**Q45.** Match **List - I** with **List - II**

| List-I |                      | List-II |  |
|--------|----------------------|---------|--|
| (A)    | Production cycle     | (I)     | Is reflected in a higher inventory turnover ratio                                  |
| (B)    | Credit allowed       | (II)    | Reduces the need of working capital  |
| (C)    | Operating efficiency | (III)   | Increases the need of working capital  |
| (D)    | Credit availed       | (IV)    | Time span between receipt of raw material and their conversion into finished goods |

Choose the **correct** answer from the options given below:

- (a) (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
- (b) (A)-(IV), (B)-(III), (C)-(I), (D)-(II)
- (c) (A)-(I), (B)-(III), (C)-(IV), (D)-(II)
- (d) (A)-(II), (B)-(III), (C)-(I), (D)-(IV)

**Q46.** Which one of the following is not true about objections to advertising?

**6th October, 2022 (Shift 1)**

- (a) Advertisements which make similar claims confuses the buyer
- (b) Advertising is a very economical mode of communication
- (c) Advertising does not distinguish between superior and inferior products
- (d) Advertising undermines social values and promote materialism

**Q47.** Which of the following statements related to marketing philosophies are correct?

**12<sup>th</sup> June 2023 (Shift 3)**

- (A) Starting point of product concept is 'Market'.
- (B) Main focus of selling concept is 'existing product'.
- (C) End of product concept is 'profit through product quality'.
- (D) Starting point of selling concept is 'factory'.
- (E) End of product concept is 'profit through customer satisfaction'.

Choose the **correct** answer from the options given below:

- (a) B, C and D only
- (b) B, C and E only
- (c) A, B and C only
- (d) A, C and E only

**Q48.** Identify the Consumer Right – "The consumer has the freedom to access variety of products at Competitive prices. This implies that the marketers should offer a wide variety of products in terms of quality, brand, prices, size, etc."

**17th May 2024 (Shift 2A)**

- (a) Right to Safety
- (b) Right to Seek Redressal
- (c) Right to be Assured
- (d) Right to Consumer Education

**Q49.** As per Consumer Protection Act, 2019. District commission has a jurisdiction to entertain complaints where value of goods or services paid as consideration.

**25th May 2023 (Shift 1)**

- (a) Exceeds one crore rupees
- (b) Does not exceed one crore rupees
- (c) Exceeds two crore rupees
- (d) Does not exceed two crore rupees

**Q50.** It implies a desire to accomplish something difficult.

**11<sup>th</sup> June 2023 (Shift 3)**

- (a) Need for Power
- (b) Need for Achievement
- (c) Need for Affiliation
- (d) Need for Autonomy





## Solutions

**S1. Ans. (a)**

**Sol.** Akash Industries installing a waste recycling plant not only addresses environmental concerns but also creates job opportunities, reflecting a commitment to benefiting society. This aligns with fulfilling the company's social objectives, which pertain to contributing positively to the community and environment.

**S2. Ans. (a)**

**Sol.** Coordination is the concept that ensures all activities within the organization, such as purchase, production, sales, and finance, are aligned and working together. It is a common thread running through all organizational activities to maintain harmony and continuity, ensuring that the organization's goals are met efficiently.

**S3. Ans. (b)**

**Sol.** The entry to a profession is typically restricted, requiring specific qualifications, certifications, or licensure. This ensures that professionals have the necessary knowledge and skills to perform their roles effectively and uphold the standards of the profession. Therefore, stating that the entry is free without restriction is incorrect.

**S4. Ans. (a)**

**Sol.** Mr. Hari, responsible for formulating strategies to achieve organizational goals, is working at the top management level. This level includes roles like CEO, Managing Director, and President, which involve strategic planning, decision-making, and providing overall direction to the organization.

**S5. Ans. (d)**

**Sol.** The management process follows a logical sequence:

- (D) Planning: Setting objectives and deciding how to achieve them,
- (A) Organizing : arranging resources to carry out the plans,
- (C) Staffing: Recruiting and placing the right people,
- (E) Directing: Leading and motivating employees,
- (B) Controlling: Monitoring performance and making adjustments.

**S6. Ans. (d)**

**Sol.** Management is multi-dimensional (C), as it involves various aspects like managing people, processes, and operations. It is also a dynamic function (E), meaning it continuously adapts to changes in the internal and external environment to ensure the organization remains effective and competitive. Management is an intangible force; therefore, A is incorrect. Management is a group activity; therefore, B is incorrect. Management is continuous process; therefore, D is also incorrect.

**S7. Ans. (d)**

**Sol.** There are no restrictions on anyone being designated or appointed as a manager in a business enterprise (C). Additionally, the Chief Executive Officer (CEO) belongs to the top management level (E), which is responsible for making major corporate decisions and setting strategic directions for the company. Planning is primary function of management, so A is incorrect. Management is not a profession, as all features of profession are not present in management, so B is incorrect. An organisation can be both efficient as well as effective, hence D is also incorrect.

**S8. Ans. (c)**

**Sol.** The objective of method study is to find the best way of doing a job to improve efficiency, not to bring out creativity. It focuses on simplifying work processes and eliminating unnecessary steps to enhance productivity.

**S9. Ans. (b)**

**Sol.** The statement indicates the Flexible nature of principles of management. Management principles are adaptable and can be adjusted according to the needs of the situation. This flexibility allows managers to respond to changes in the environment and make decisions that are best suited to the current circumstances.

**S10. Ans. (b)**

**Sol.** Taylor divided the work of the Factory Manager into two main departments: Planning and Production. The Planning Department is responsible for devising strategies, schedules, and procedures, while the Production Department focuses on the actual manufacturing process, ensuring that operations run smoothly and efficiently.

**S11. Ans. (b)**

**Sol.** The principles Scalar Chain, Order, and Unity of Direction were given by Henri Fayol, not F.W. Taylor. Taylor's principles of scientific management include Harmony, not Discord, and Cooperation, not Individualism, which focus on efficiency and collaboration within the workplace.

**S12. Ans. (d)**

**Sol.** The correct match is given below:

| List-I |                         | List-II |                          |
|--------|-------------------------|---------|--------------------------|
| A.     | Fredrick Winslow Taylor | III.    | Scientific Management    |
| B.     | Henri Fayol             | IV.     | Principles of Management |
| C.     | Abraham Maslow          | I.      | Need Hierarchy Theory    |

|    |                |     |           |
|----|----------------|-----|-----------|
| D. | Phillip Kotler | II. | Marketing |
|----|----------------|-----|-----------|

**S13. Ans. (c)**

**Sol.** "Online Booking of Air Tickets" falls under the "Technical dimension" of the business environment. This dimension covers the technological aspects that affect business operations, such as the internet, digital platforms, and other technological innovations that enable online booking systems.

**S14. Ans. (b)**

**Sol.** Customs and traditions are part of the social environment. They influence the societal norms, values, and behaviors that businesses must consider.

**S15. Ans. (b)**

**Sol.** 'Helps in coping with rapid changes' is the importance of the business environment discussed in the given statement. The use of new technologies like AI indicates how businesses adapt to rapid technological changes to stay competitive.

**S16. Ans. (d)**

**Sol.** A, D and E only

Business environment is the sum total of all things external to business firm not internal so B is incorrect. Customers and suppliers are specific forces of business environment not general, so C is incorrect.

**S17. Ans. (d)**

**Sol.** The importance of the business environment includes providing early warning signals (E) and offering a first mover advantage (D). Complexity, dynamic nature, and uncertainty are features of the business environment, not its importance.

**S18. Ans. (b)**

**Sol.** The correct match is given below:

| LIST I |                           | LIST II |   |
|--------|---------------------------|---------|---|
| A.     | Political environment     | III.    | General stability of elected govt and its attitude towards business |
| B.     | Economic environment      | IV.     | Change in interest rate, inflation and disposable income            |
| C.     | Social environment        | I.      | Consumption & habits pattern of household                           |
| D.     | Technological environment | II.     | Scientific improvements and innovations                             |

**S19. Ans. (d)**

**Sol.** 'Planning is a primary function' is the feature of planning highlighted in the statement. It lays the foundation for all other management functions such as organizing, staffing, directing, and controlling by setting the objectives and determining the course of action to achieve them.

**S20. Ans. (a)**

**Sol.** 'Policy' is being discussed in the given statement. A policy is a general guideline for decision-making that sets boundaries within which decisions can be made, such as recruiting engineers only from top institutes.

**S21. Ans. (b)**

**Sol.** 'Rules' are strict, rigid, and specific statements that inform what is to be done. They provide clear directives on how to act in specific situations, leaving no room for discretion.

**S22. Ans. (a)**

**Sol.** 'Planning reduces overlapping and wasteful activities' is the importance of planning highlighted. By clearly defining and systematically dividing the work, planning ensures that tasks are organized efficiently, minimizing duplication and wastage.

**S23. Ans. (c)**

**Sol.** The Correct Sequence is:

(E) Setting objectives

(A) Developing premises

(B) Identifying alternative courses of action

(C) Evaluating alternative courses

(D) Selecting an alternative

**S24. Ans. (d)**

**Sol.** The correct match is given below:

| List-I | List-II |
|--------|---------|
|--------|---------|

|     |           |       |                               |
|-----|-----------|-------|-------------------------------|
| (A) | Rule      | (I)   | Specific statements           |
| (B) | Programme | (II)  | Detailed statements           |
| (c) | Budget    | (III) | Statement of expected results |
| (D) | Policy    | (IV)  | Guide to thinking             |

**S25. Ans. (c)**

**Sol.** Organising function of management is highlighted in the given case study.

**S26. Ans. (c)**

**Sol.** Functional Structure is advocated by the HR Manager of ABC Ltd., as HR Manager has suggested to group jobs based on the similar functions performed.

**S27. Ans. (a)**

**Sol.** Divisional Structure is advocated by the Marketing Manager of ABC Ltd., as Marketing Manager has suggested to group jobs based on product line of the company.

**S28. Ans. (b)**

**Sol.** The importance of organising which would help in removing the problem of ambiguity in transfer of information among the employees is 'Clarity in working relationships'.

**S29. Ans. (c)**

**Sol.** 'We deal in large product line like cosmetics, garments, footwear etc.' would strengthen the claim made by Marketing Manager because product specialisation becomes very important for company producing multiple products.

**S30. Ans. (c)**

**Sol.** 'Internship training' is a joint programme of training in which educational institutions and business firms cooperate. Internships provide practical experience to students in their field of study while allowing them to continue their education.

**S31. Ans. (d)**

**Sol.** 'Dissatisfaction among existing employees' is a demerit of external sources of recruitment. External recruitment can lead to dissatisfaction among current employees who may feel overlooked for promotions or new opportunities.

**S32. Ans. (b)**

**Sol.** The Correct Sequence is:

- (D) Identification of different sources of Labour supply
- (B) Assessment of their validity
- (A) Choosing the sources
- (C) Inviting Applications from prospective Candidates

**S33. Ans. (b)**

**Sol.** (B), (C) and (D) only

Training is job oriented so A is not correct. Training is process of increasing the knowledge and understanding of employees so E is not correct.

**S34. Ans. (d)**

**Sol.** External sources of recruitment include:

- (A) Direct recruitment
- (B) Casual callers
- (C) Campus recruitment

D and E are internal sources of recruitment.

**S35. Ans. (a)**

**Sol.** The correct match is given below:

| List-I |   | List-II |                           |
|--------|---|---------|---------------------------|
| (A)    | Put the trainee under the guidance of a master worker                             | (IV)    | Apprenticeship Programmes |
| (B)    | Trainee is being groomed to replace the senior manager                            | (III)   | Coaching                  |
| (C)    | Shifting the trainee from one job to another                                      | (II)    | Job Rotation              |
| (D)    | Joint programme of training framed by educational institutions and business firms | (I)     | Internship Training       |

**S36. Ans. (b)**

**Sol.** Mr. Thaapar came to know about the financial issues being faced by Mr. Rohan through 'Informal Communication'. He overheard Mr. Rohan discussing his financial condition on the phone, which is an example of informal communication within the workplace.

**S37. Ans. (b)**

**Sol.** Mr. Thaapar is a 'Democratic Leader' as he encourages his subordinates in decision-making and respects everyone's ideas and opinions. This leadership style involves considering the input of team members and valuing their contributions.

**S38. Ans. (c)**

**Sol.** Mr. Thaapar decides to help Mr. Rohan in the form of a 'Financial' incentive. He plans to provide Mr. Rohan with an increased incentive bonus, which is a financial reward.

**S39. Ans. (c)**

**Sol.** Mr. Thaapar used a 'Formal' communication method to inform Ms. Heena. He sent her an email about her promotion, which is an official and formal mode of communication.

**S40. Ans. (c)**

**Sol.** 'Job Enrichment' is the type of incentive highlighted in the above sentence. Job enrichment involves giving employees more challenging tasks and greater responsibility, which can increase their motivation and job satisfaction.

**S41. Ans. (c)**

**Sol.** The controlling function of an organization is 'both forward and backward looking.' It involves reviewing past performance and planning for future actions.

**S42. Ans. (d)**

**Sol.** Corrective Action has been taken by company by replacing their obsolete machinery with a Hi-Tech machine.

**S43. Ans. (b)**

**Sol.** (A), (B) and (C) only

Factors like regulatory framework, diversification, and level of collaboration do not directly affect working capital requirements. Working capital is more directly influenced by factors like production cycles and credit policies.

**S44. Ans. (d)**

**Sol.** A, B, C and D only

Financing decisions are influenced by factors such as cost, risk, floatation cost, and the cash flow position of the company. These factors determine the feasibility and impact of different financing options on the company's financial health.

**S45. Ans. (b)**

**Sol.** The correct match is given below:

| List-I |                      | List-II |  |
|--------|----------------------|---------|--|
| (A)    | Production cycle     | (IV)    | Time span between receipt of raw material and their conversion into finished goods |
| (B)    | Credit allowed       | (III)   | Increases the need of working capital  |
| (C)    | Operating efficiency | (I)     | Is reflected in a higher inventory turnover ratio                                  |
| (D)    | Credit availed       | (II)    | Reduces the need of working capital  |

**S46. Ans. (b)**

**Sol.** Advertising is not an economical mode of communication. It often requires significant expenditure for media placement, production, and creative development, making it costly for businesses.

**S47. Ans. (a)**

**Sol.** B, C and D only

The starting point of the product concept is 'factory,' making (A) incorrect. The end goal of the product concept is 'profit through product quality,' so (C) is correct. The selling concept starts at the 'factory,' making (D) correct. The end of the marketing concept, not the product concept, is 'profit through customer satisfaction,' making (E) incorrect.

**S48. Ans. (c)**

**Sol.** The Right to be Assured (also known as the Right to Choose) gives consumers the freedom to select from a variety of products at competitive prices. This right ensures that marketers offer a wide range of products in terms of quality, brand, prices, size, etc.

**S49. Ans. (b)**

- Sol.** As per Consumer Protection Act, 2019. District commission has a jurisdiction to entertain complaints where value of goods or services paid as consideration does not exceed one crore rupees.
- S50. Ans. (b)**
- Sol.** Need for Achievement implies a desire to accomplish something difficult.

