

S2. Ans. (A) Sol. The principle highlighted is **Science, not Rule of Thumb**, which advocates for the replacement of traditional "rule of thumb" methods based on guesswork and personal experience with a single "best method" developed through scientific study and analysis. By investigating traditional practices through work-study and unifying the best ones into a standard procedure, the organisation ensures that human energy is saved and productivity is maximised,.

S3. Ans. (C) Sol. **Statement I is true** because the importance of consumer protection highlights that consumers need to be organised into associations to effectively take care of their interests and promote awareness,. **Statement II is false** because the Consumer Protection Act, 2019, actually provides for a **three-tier** enforcement machinery—consisting of the District, State, and National levels—rather than a two-tier system for the redressal of grievances.

S4. Ans. (D) (For Visually Impaired Candidates) Sol. '**Encoding** is the specific element of the communication process that involves **converting the message into communication symbols** such as words, pictures, or gestures. It is the process by which the sender translates their thoughts into a form that can be transmitted to the receiver'.

S5. Ans. (D) Sol. 'Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of Assertion (A). Under the **Right to be Heard**, a consumer has the legal right to file a complaint and be listened to in case of dissatisfaction with a product or service. It is specifically because of this right that many enlightened business firms have proactively **set up their own consumer service and grievance cells** to address customer concerns effectively'.

S6. Ans. (C) Sol. 'The box that Sudha threw away is classified as **secondary packaging** because it represents an additional layer of protection that is kept until the consumer is ready to use the product. While the color tube and developer lotion are in primary packaging—the immediate containers—the outer box serves to group and protect these items until they are opened for the first time. This level of packaging is typically disposed of once the product within its primary container is put into use'.

S7. Ans. (C) Sol. 'Assertion (A) is true because money market instruments deal with very short-term debt and are issued by highly sound entities like the government or banks, giving them a **higher degree of liquidity** than long-term capital market securities. However, Reason (R) is false because the money market is a decentralized activity conducted via telephone and digital networks rather than at a physical stock exchange. Stock exchanges are specifically institutional platforms for the purchase and sale of existing capital market securities like shares and debentures'.

S8. Ans. (B) Sol. 'Ravi failed to fulfill the consumer responsibility to **ask for a cash memo** on the purchase of goods. A cash memo is a critical document that serves as legal proof of purchase, and without it, a consumer loses the ability to file a valid complaint in case of a dispute or defect. By attempting to avoid GST and accepting a mere slip of paper, he compromised his legal standing as a protected consumer'.

S9. Ans. (C) Sol. 'The software development team is **effective but not efficient** because they successfully completed the project on time, thus achieving the goal, but failed to do so within the specified budget. Efficiency involves a cost-benefit analysis and completing tasks with **minimum cost**, whereas effectiveness is concerned only with achieving the end result regardless of the resources used'.

S10. Ans. (B) Sol. 'The feature highlighted is that **coordination is the responsibility of all managers**. In the case, coordination is seen at the top level with subordinates, at the production manager level with operational managers, and at the operational level with workers to ensure work proceeds according to plans. This illustrates that it is an inherent function every manager must perform at their respective level in the hierarchy'.

S11. Ans. (C) Sol. 'The statement highlights the **dynamic nature** of the business environment, which means it is not static and keeps on changing continuously. These changes can manifest in several ways, such as **technological improvements**, shifts in consumer preferences, or the entry of new competitors, all of which force an organisation to constantly adapt its goals and methods to survive'.

S12. Ans. (B) Sol. '**Financial risk** refers to the precarious position where a company is unable to meet its **fixed financial charges**, such as interest payments, dividends on preference shares, and repayment of principal obligations. This risk arises from the presence of fixed-cost debt in the capital structure and is distinct from business risk, which relates to fixed operating costs'.

S13. Ans. (B) Sol. 'Planning does not **eliminate** uncertainty because the future is inherently unpredictable and full of unforeseen events; instead, it **reduces the risks of uncertainty** by allowing managers to anticipate changes and develop appropriate responses'.

S14. Ans. (D) Sol. 'The organizing process follows a specific logical sequence: first, **identifying and dividing work** into manageable activities; second, **departmentalisation** by grouping similar tasks; third, **assignment of duties** to personnel; and finally, **establishing authority and reporting relationships** to create a clear hierarchy'.

S15. Ans. (B) Sol. 'Planning is **futuristic** because it involves looking ahead, peeping into the future, and analyzing forecasts to prepare the organization to meet upcoming events effectively and to its best advantage'.

S16. Ans. (D) Sol. '**Discipline** requires obedience to organizational rules and employment agreements to ensure smooth functioning. **Unity of Direction** specifies that activities with the same objective must have one head and one plan, while **Order** emphasizes that there should be a designated place for every resource and person. Finally, **Unity of Command** dictates that a subordinate should receive orders from and be responsible to only one superior to avoid confusion'.

S17. Ans. (D) Sol. 'The step of **comparing actual performance with standards** involves finding the deviation between what was planned (the standard) and the actual results achieved. This comparison is a prerequisite for identifying the extent and nature of gaps that may require further analysis or corrective action to meet organizational goals'.

S18. Ans. (C) Sol. '**Legal constraints** are factors where specific provisions of the **Companies Act** place restrictions on the amount or manner of dividend payouts that a firm can declare. These are mandatory requirements that must be adhered to by management, unlike contractual constraints which arise from private agreements with lenders or creditors'.

S19. Ans. (A) Sol. 'Statement I is true as **Critical Point Control** dictates that management should focus on Key Result Areas (KRAs) which are vital to the success of an organisation, as any failure there can affect the whole system. Statement II is also true because **Management by Exception** suggests that only significant deviations exceeding a permissible limit should be reported, allowing managers to focus their attention on important areas rather than routine problems'.

S20. Ans. (C) Sol. '**Lack of proper incentives** is classified as a **personal barrier** to communication, as it involves a lack of motivation or rewards that may discourage employees from taking the initiative to communicate with their superiors. In contrast, status, organizational facilities, and rules and regulations are all identified as **organisational barriers** related to the company's structure and policies'.

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