

## Business Studies Previous Year Paper

Q1. Which of the following is not the role of packaging of a product?

- (a) It facilitates product promotion.
- (b) It helps in negotiation.
- (c) It provides protection to the product.
- (d) It provides information which helps consumers.

Q2. Which of the following are not the elements of product mix ?

- (A) Product cost
- (B) Branding
- (C) Labelling
- (D) Advertising

Choose the correct answer from the options given below:

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

Q3. "The process whereby an executive develops an orderly pattern of group efforts among his subordinates and secures unity of action". Identify the highlighted concept:

- (a) Coordination
- (b) Communication
- (c) Motivation
- (d) Organising

Q4. Match List-I with List-II

List-I	List-II
Financial/ Non-Financial Incentives	Examples
(A) Job Enrichment	(I) Autonomy and powers to subordinates
(B) Retirement benefits	(II) Gratuity
(C) Employee Empowerment	(III) Preparing a greater variety of work content
(D) Bonus	(IV) Additional incentives over and above the salary/wages.

Choose the correct answer from the options given below:

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

Q5. Match List-I with List-II.

List-I	List-II
Types of plan	Meaning
(A) Objectives	(I) Specific statements that inform what is to be done.
(B) Policy	(II) Broad contours of an organization's business.
(C) Strategies	(III) Ends that the management seeks to achieve.
(D) Rule	(IV) Provides a basis for interpreting the strategy.

Choose the correct answer from the options given below:

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

Q6. Which of the following is not the function of an entrepreneur?

- (a) Impact on local communities
- (b) Decrease the spectrum of economic activities
- (c) Generation of employment
- (d) Improvement in economic efficiency

Q7. In order to cope with the competitors, market leader Maruti adopted new technologies for manufacturing their recent models. Which type of plan is highlighted in the above statement?

- (a) Policy
- (b) Strategy

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(c) Programme

(d) Objective

Q8. Which of the following is/are not single-use plans?

(A) Budgets

(B) Rules

(C) Programmes

(D) Projects

Choose the correct answer from the options given below:

(a) (B) and (C) only

(b) (A) and (D) only

(c) (A) only

(d) (B) only

Q9. A sales manager's salary is Rs. 50,000, but he also receives a 2.5% commission if the sale increases from 3500 units.

Identify the type of cost highlighted here:

(a) Fixed cost

(b) Variable cost

(c) Semi-variable cost

(d) Total cost

Q10. Which of the following is not included in semantic barriers to communication?

(A) Un-clarified assumptions

(B) Distrust

(C) Poor retention

(D) Technical jargon

Choose the correct answer from the options given below:

(a) (B) and (C) only

(b) (C) and (D) only

(c) (A) and (D) only

(d) (A), (C) and (D) only

Q11. "Involving employees in decision making of the issues related to them". Identify the type of incentive discussed in the aforesaid statement?

(a) Organisational climate

(b) Employee empowerment

(c) Employee participation

(d) Employee recognition programmes

Q12. Which of the following statements are not correct regarding the sales promotion?

(A) Sales promotions refer to long-term incentives, which are designed to encourage the buyers to make an immediate purchase.

(B) Sales promotion includes advertising, personal selling and publicity.

(C) Publicity is an important tool for sales promotion.

(D) Sales promotion tools involve two-way communication.

Choose the correct answer from the options given below:

(a) (A), (B) and (D) only

(b) (A), (B) and (C) only

(c) (A), (B), (C) and (D)

(d) (B), (C) and (D) only

Q13. Under the Consumer Protection Act 2019, which of the following is not included in the rights of the consumers?

(a) Right to speak

(b) Right to be seek redressal

(c) Right to consumer education

(d) Right to be informed

Q14. Identify the correct sequence of controlling process in management:

(A) Deviation analysis

(B) Setting standards

(C) Comparison of actual performance with standards

(D) Performance measurement

Choose the correct answer from the options given below:

(a) (B), (D), (A), (C)

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(b) (B), (C), (D), (A)

(c) (B), (D), (C), (A)

(d) (B), (C), (A), (D)

Q15. "Rakesh, a musician, composes music by using notes in a creative manner that is entirely based on his own interpretation". This statement highlights which aspect of nature of management?

(a) Management as a profession

(b) Management as a science

(c) Management as an art

(d) Management as a hobby

Q16. Arrange the following steps of the communication process in the correct sequence:

(A) Receiver

(B) Decoding

(C) Encoding

(D) Message

Choose the correct answer from the options given below

(a) (B), (C), (D), (A)

(b) (A), (C), (D), (B)

(c) (D), (C), (B), (A)

(d) (A), (B), (C), (D)

Q17. Arrange the following steps of organizing process in the correct sequence:

(A) Duty assignment

(B) Dividing work into manageable activities

(C) The activities of a similar nature are grouped together.

(D) Creating authority and responsibility relationship

Choose the correct answer from the options given below:

(a) (C), (A), (B), (D)

(b) (C), (B), (A), (D)

(c) (B), (C), (A), (D)

(d) (B), (A), (C), (D)

Q18. A firm wants to select employees for the mechanical jobs in the organization. Which of the following test will help the organization in finding out whether a candidate is suitable for a mechanical job?

(a) Personality test

(b) Trade test

(c) Interest test

(d) Intelligence test

Q19. Arrange the following steps of the planning process in the correct sequence:

(A) Objective setting

(B) Alternative identification

(C) Alternative evaluation

(D) Alternative selection

Choose the correct answer from the options given below:

(a) (C), (B), (D), (A)

(b) (A), (B), (C), (D)

(c) (C), (B), (A), (D)

(d) (B), (A), (D), (C)

Q20. 'Coordination among various departments' is related to which step of the organizing process?

(a) Identification and division of work

(b) Departmentalization

(c) Assignment of duties

(d) Establishing reporting relationships

Q21. Which among the following is not an element of the marketing mix?

(a) Product

(b) Price

(c) Place

(d) People

Q22. Which of the following is NOT a feature of Critical Point Control and Management by Exception?

- (a) They identify critical points.
- (b) They focus on key result areas.
- (c) They focus managerial attention on significant deviations.
- (d) It takes a lot of effort and time as managers have to deal with all deviations.

Q23. A software company, approached Rare Consultants Pvt. Ltd. for recruitment of middle level executives. Rare Consultants Pvt. Ltd. advertised the job on a web portal. Which of the following source of recruitment is followed here?

- (a) Management consultants
- (b) Recommendation of employees
- (c) Employment exchange
- (d) Campus recruitment

Q24. Which of the following is NOT the task of top level management?

- (a) Welfare and survival of the organisation
- (b) To formulate strategies for the achievement of an organizational goal
- (c) To ensure that their department has the necessary personnel
- (d) To coordinate activities of different departments for achieving overall objectives

Q25. The production foreman, a native of South India, got transferred to a city in North India. His words, tone and accent could not be understood by the shop floor workers. Identify the category of communication barrier discussed here?

- (a) Psychological barriers
- (b) Organisational barriers
- (c) Semantic barriers
- (d) Personal barriers

Q26. The systematic effort to delegate to the lowest level, all authority except that which can be exercised at central points is called:

- (a) Decentralisation
- (b) Delegation
- (c) Centralisation
- (d) Departmentalisation

Q27. Match List-I with List-II

List-I	List-II
Functions of management	Activities associated with these functions
(A) Planning	(I) Reduces overlapping and wasteful activities
(B) Organizing	(II) Correction of employee performance so that group goals are accomplished
(C) Directing	(III) Identifying and grouping activities to establish coordinated relationships
(D) Controlling	(IV) Supervising the work of subordinates to ensure that it conforms to plans

Choose the correct answer from the options given below:

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

Q28. Seema purchased a TV for Rs. 15000, and she found that it was not working properly. Despite efforts, Seema was not able to file a complaint. Which of the following consumer rights has been violated in this case?

- (a) Right to be informed
- (b) Right to seek redressal
- (c) Right to be heard
- (d) Right to consumer education

Q29. 'The Punjabi women prefer suits while Bengali women mostly prefer sarees'. Identify the feature of business environment discussed in this statement:

- (a) The business environment is a complex phenomenon.
- (b) The business environment is a relative concept.
- (c) The business environment is dynamic in nature.
- (d) The business environment is uncertain.

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Q30. Match List-I with List-II

List-I	List-II
Term	Meaning
(A) Brand mark	(I) The verbal component of a brand.
(B) Brand name	(II) A brand or that part of a brand which is given legal protection.
(C) Trade mark	(III) That part of the brand which is not utterable and appears in the form of a symbol, design, distinct color scheme etc.;
(D) Brand	(IV) A name, symbol, design or some combination of these, is used to identify the product or services.

Choose the correct answer from the options given below:

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

Q31. Which of the following is NOT an importance of controlling?

- (a) It facilitates the accomplishment of organizational goals.
- (b) It facilitates more control on external factors.
- (c) It facilitates coordination.
- (d) It facilitates effective and efficient use of resources.

Arrange the various activities involved in the process of recruitment in the correct sequence:

- (A) Inviting applications
- (B) Assessment of validity of various recruitment sources
- (C) Identification of the different sources of labour supply
- (D) Choosing the most suitable source

Choose the correct answer from the options given below:

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

Q33. The Department of Consumer Affairs, GOI, has been undertaking the campaign, 'Jago Grahak Jago' through multimedia awareness.

Which of the following consumer right is highlighted from the above statement?

- (a) Right to be informed
- (b) Right to consumer education
- (c) Right to be heard
- (d) Right to seek redressal

Q34. "Entrepreneurship is a step by step activity requiring skill, knowledge and competency". Which of the following characteristics of entrepreneurship supports this statement?

- (a) Lawful and purposeful activity
- (b) Innovation
- (c) Systematic activity
- (d) Risk taking

Q35. Which of the following is not a component of physical distribution?

- (a) Utility and demand
- (b) Inventory control
- (c) Warehousing
- (d) Order processing

Q36. Which of the following statement is not correct for the relationship between planning and controlling?

- (a) Planning and controlling are separable twins of management.
- (b) Planning seeks consistent and articulated programs while control seeks to compel events to conform to plans.
- (c) Planning and controlling are inseparable twins of management.
- (d) Planning based on facts makes controlling easier and more effective.

Q37. Which of the following is NOT a feature of planning?

- (a) It is a continuous process.

- (b) It is flexible.
- (c) It involves decision-making.
- (d) It is an intellectual exercise.

Q38. "Understanding of the business environment by managers can be appreciated if the manager considers one of the following aspects of the business environment". Identify the point of importance of business environment from the following:

- (a) Ensures order and discipline.
- (b) Helps in getting the right persons for the right jobs
- (c) Early identification of opportunities and getting first mover advantage.
- (d) Helps in making a stable organisation

Q39. Identify the correct example(s) for "corrective action" that can be undertaken by the company during the controlling process.

- (A) Improve the physical conditions of work, if working conditions are not good.
- (B) Replace or repair the existing machines, in case of poor performance by the salesperson.
- (C) Do not change the quality specifications for the material used, if the material is defective.
- (D) Use outdated technology for producing the good, if it's advanced version is already available in the market.

Choose the correct answer from the options given below:

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

Q40. Match List-I with List-II.

List-I	List-II
Dimensions of business environment	Their components
(A) Social Environment	(I) Agricultural and industrial production trends
(B) Political Environment	(II) Consumption habits
(C) Economic Environment	(III) Government intervention in business
(D) Technological Environment	(IV) Food preservatives

Choose the correct answer from the options given below:

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

**Comprehension:**

**Directions (41 - 45) Read the following passage carefully and answer the questions given below**

Ashima completed her MBA from Sriram college in Delhi. She wanted to expand her family business of bakery products chain named 'Anmol bakers'. She was very influenced by the Principles and Techniques of Scientific Management, and she wanted to apply them in her business expansion.

Her main objective was to reduce the costs with increased output. To begin with, she wanted to develop a standard method which would be followed throughout the organization. So, she investigated traditional methods through work study and unified the best practices. The standard method, i.e. the best way of doing the job was then developed, taking into consideration all parameters right from the availability of raw materials till the final delivery to the customers. Ashima also believed that the employees in the organization should be scientifically selected and that adequate training for the employees should also be given to increase their efficiency. For this, she set up a training unit named 'Perfectionists' in Sonipat where employees were given the required training to increase their efficiency and learn the best method. At the factory, the ingredients making up bakery products were strategically placed to reduce the time taken for excess movements. The standard time and other parameters were determined on the basis of work study and Ashima rewarded the employees for meeting the standard output.

Now, 'Anmol Bakers' has standardized processes, raw materials, time, machinery, product and working conditions that ensure the food they deliver to their customers has the same high standard of excellence and level of quality in every chain or franchise.

The application of Scientific Management to every aspect of the bakery's operation led to 'Anmol Bakers' being widely successful.

Q41. "Anmol Bakers' has defined processes that ensure the food they deliver to their customers has the same level of quality in every chain or franchise". Which of the following technique of scientific management is stated here?

- (a) Standardisation of work

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- (b) Simplification of work
- (c) Time study
- (d) Differential piece wage system

**Q42.** "Ashima believed that the employees should be scientifically selected and adequate training should be given to increase their efficiency". Name the principle of scientific management highlighted in this statement?

- (a) Cooperation, Not Individualism
- (b) Development of each and every person to his/her greatest efficiency
- (c) Harmony, Not Discord
- (d) Science, not Rule of Thumb

**Q43.** "She wanted to develop a standard method which would be followed throughout the organisation". Identify the principle of scientific management highlighted in this statement?

- (a) Harmony, Not Discord
- (b) Science not Rule of Thumb
- (c) Cooperation, Not Individualism
- (d) Development of each and every person to his/her greatest efficiency

**Q44.** "Ashima rewarded the employees for meeting the standard output". Identify the technique of scientific management which is followed in this statement?

- (a) Fatigue study
- (b) Motion study
- (c) Simplification of work
- (d) Differential piece wage system

**Q45.** "The standard method was developed taking into consideration all parameters". Which of the following technique of scientific management is highlighted in this statement?

- (a) Motion study
- (b) Method study
- (c) Simplification of work
- (d) Functional foremanship

### Comprehension:

**Directions (46 - 50)** Read the following passage carefully and answer the questions given below

'Laxmi Enterprise' is a textile manufacturing firm. It has been consistently earning good profits for many years. This year, too, it has been able to generate enough profits. There is availability of enough cash in the company and good prospects for growth in the future. Now they wished to diversify their business. The CEO of Laxmi Enterprise is considering two options, either to diversify into manufacturing cosmetics or switches. So they wanted to purchase land, to set up a manufacturing unit in the backward area of Assam, which would lead to the generation of employment opportunities in the area, but only after fulfilling all legal requirements and taking appropriate steps to ensure that the environment was not polluted. The finance manager of the company, Mr. Vikrant was asked by the management to prepare a report on the factors that should be considered while making their decisions.

**Q46.** The decision considered by the management in the above case is related to:

- (a) Business diversification
- (b) Debt management
- (c) Maximising retained earnings
- (d) Business consolidation

**Q47.** Which of the following is not affected by the decision being considered by the management?

- (a) Size of assets
- (b) Profitability
- (c) Cash Flows
- (d) Interest payment on old debts

**Q48.** Which of the following decision is being considered by the management in the above case?

- (a) Investment Decision
- (b) Financing Decision
- (c) Dividend Decision
- (d) Working Capital Decision

**Q49.** Identify the incorrect statement related to the decision of investing in a land by the company, from the options given below:

- (a) These decisions have a bearing on the long term growth.
- (b) These decisions influence the overall business risk complexion of the firm.

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(c) These decisions are reversible.

(d) These decisions result in a substantial portion of capital funds being blocked in long term project.

Q50. Which of the following is not a factor affecting the important decision being discussed in the passage above?

(a) The amount of cash flows

(b) The rate of return of the project with risk factors

(c) Details of the amount of investment, interest rate, cash flows and rate of return.

(d) Ways to improve the profitability of textile business

