

Business Studies Previous Year Paper

- Q1. Arti, an employee, is working towards achieving her goal of becoming a manager. She believes that basic knowledge varies from individual to individual in an organization. Also, a good employee applies creative knowledge. Which of the following describes the nature of management here?
- Management as a process
 - Management as an art
 - Management as a science
 - Management as a dreamer

- Q2. Match **List-I** with **List - II**

| List-I | List-II |
|--------------------------------|--|
| Marketing mix component | Meaning |
| (A) Price | (I) Decisions related to features, quality, packaging etc. |
| (B) Place | (II) Activities that communicate features of a product to target customer. |
| (C) Product | (III) Decisions related to discounts to customers, traders etc. |
| (D) Promotion | (IV) Decisions related to selection of dealers or intermediaries etc. |

Choose the correct answer from the options given below:

- (A)-(III), (B) - (IV), (C) - (I), (D) - (II)
 - (A)-(I), (B) - (III), (C) - (II), (D) - (IV)
 - (A)-(I), (B) - (II), (C) - (IV), (D) - (III)
 - (A)-(II), (B) - (III), (C) - (IV), (D) - (I)
- Q3. Vaibhav applied to a software firm as a software developer. He passed the written exam and went through several rounds of tests and interviews. The company was testing his performance and the potential of his knowledge. Which aspect of staffing is being referred to here?
- Recruitment
 - Selection
 - Supervision
 - Training and Development
- Q4. On Sundays, Shyam, an executive working with an MNC, enjoys, interacts and plays cricket at a ground with his subordinates as well as superiors. What type of communication is being referred to here?
- Formal communication
 - Transit communication
 - Fellow communication
 - Informal communication
- Q5. The application of principles of management is dependent upon the prevailing situation and has to be changed as per requirements. This defines which nature of principle of management?
- Universal applicability
 - Contingent
 - Cause and effect relationship
 - Formed by practice and experimentation
- Q6. Identify the features of Management as a Science.
- Systematised body of knowledge
 - Universal Validity
 - Principles based on experimentation
 - Creativity
- Choose the correct answer from the options given below:
- (A), (B) and (C) only
 - (A), (B) and (D) only

- (c) (A), (C) and (D) only
(d) (B), (C) and (D) only
- Q7. Which of the following is a characteristics of planning?
(a) It brings rigidity.
(b) It increases the risk of uncertainty.
(c) It involves decision making.
(d) It leads to redundant and overlapping activities.
- Q8. The components of physical distribution are:
(a) Warehousing, transportation and feedback
(b) Order-processing, inventory control, warehousing and transportation
(c) Promoting, transporting and warehousing
(d) Labelling, transporting and feedback
- Q9. What will be the correct order for the process by which a person can share a message with the receiver?
(A) The source of communication who conveys his/her thoughts.
(B) Encoding of message.
(C) The channel through which the messages are transmitted to the receiver.
(D) Ideas, feelings and suggestions to be communicated.
Choose the correct answer from the options given below:
(a) (A), (D), (B),(C)
(b) (A), (C), (B), (D)
(c) (B), (D), (C), (A)
(d) (C), (B), (D), (A)
- Q10. Which of the following are the principles of Directing?
(a) Leadership, unity of direction, delegation, maximum individual contribution
(b) Unity of command, departmentalization, identifying alternative courses, follow through
(c) Delegation, selection, appropriateness of direction technique, managerial communication
(d) Appropriateness of direction technique, harmony of objectives, use of informal organization, managerial communication
- Q11. The two inseparable twins of management are:
(a) Planning and organising
(b) Planning and Controlling
(c) Organising and planning
(d) Controlling and budgeting
- Q12. The characteristic of entrepreneurship are:
(A) Innovation and Creativity
(B) Resistance to change
(C) Risk taking
(D) Lawful and purposeful activity
Choose the correct answer from the options given below:
(a) (A), (C) and (D) only
(b) (A), (B) and (C) only
(c) (A), (B), (C) and (D)
(d) (A) and (D) only
- Q13. In business, a manager is required to make certain assumptions about the future regarding a particular product, demand of that product, tax rates etc. This is called:
(a) Developing premises
(b) Setting objectives
(c) Selecting an alternative plan
(d) Implementing the plan

- Q14. A sales manager of ABC department left the firm on medical grounds. There are two sales managers in the XYZ department. One of the managers from XYZ department is shifted to ABC department as the new sales manager. What type of decision is this?
- (a) Promotion
 - (b) Transfer
 - (c) Training
 - (d) Direct recruitment
- Q15. Which of the following are the features of marketing?
- (A) The process of discovering and translating consumer needs into products and service.
 - (B) A system that creates value in goods through the creation of form, place, time and ownership utilities.
 - (C) Setting of objectives and appropriate course of action to achieve the organizational goals.
 - (D) Presuming that demand for the product being produced already exists.
- Choose the correct answer from the options given below:
- (a) (A), (B) and (C) only
 - (b) (B) and (C) only
 - (c) (A) and (C) and (D) only
 - (d) (A) and (B) only
- Q16. Which of the following are the competencies of entrepreneurship?
- (A) Persistence
 - (B) Assertiveness
 - (C) Initiative
 - (D) Information-seeking
- Choose the correct answer from the options given below:
- (a) (A), (B), (C) and (D) only
 - (b) (A), (B) and (C) only
 - (c) (B), (C) and (D) only
 - (d) (A) and (C) only
- Q17. The optimal combination of various sources of funds for a business is called:
- (a) Capital structure
 - (b) Financial planning
 - (c) Investment structure
 - (d) Stock structure
- Q18. Arrange the following into a two-level channel distribution network.
- (A) Wholesaler
 - (B) Customer
 - (C) Retailer
 - (D) Manufacturer
- Choose the **correct** answer from the options given below.
- (a) (B), (D), (C), (A)
 - (b) (A), (C), (D), (B)
 - (c) (B), (A), (C), (D)
 - (d) (D), (A), (C), (B)
- Q19. Identify the correct order of functions of management.
- (a) Planning-Organising-Controlling-Directing-Staffing
 - (b) Organising-Planning-Controlling-Representing-Innovating
 - (c) Planning-Organising-Staffing-Directing-Controlling
 - (d) Planning-Staffing-Controlling-Organising-Directing
- Q20. What will be the correct sequence for the steps involved in the process of controlling?
- (A) Comparison of actual performance with standards

- (B) Setting performance standards
 - (C) Analyzing deviations
 - (D) Measurement of actual performance
- Choose the correct answer from the options given below:
- (a) (B), (D), (C), (A)
 - (b) (D), (C), (B), (A)
 - (c) (B), (D), (A), (C)
 - (d) (C), (B), (D), (A)

Q21. Match List-I with List-II

| List-I | List-II |
|---------------|--|
| Concept | Meaning |
| (A) Budget | (I) Future decisions defining the organisation's direction and scope to acquire a dominant position. |
| (B) Procedure | (II) A control device from which deviations can be taken care of. |
| (C) Policy | (III) Routine steps in chronological order. |
| (D) Strategy | (IV) Guide to managerial actions and decisions in the implementation of a business strategy. |

- Choose the correct answer from the options given below:
- (a) (A) - (II), (B) - (III), (C) - (IV), (D) - (I)
 - (b) (A) - (III), (B) - (I), (C) - (II), (D) - (IV)
 - (c) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
 - (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q22. Which of the following are "On The Job Methods" for training?

- (A) Apprenticeship programmes
- (B) Case study
- (C) Internship
- (D) Job rotation

Choose the correct answer from the options given below:

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

Q23. Rita has been promoted as the planning head and the company is planning to launch a new product. What will be the correct sequence of the steps in the planning of the new product?

- (a) Set the objective, develop premises, evaluate and select alternate course of action, implement the plan, follow-up action.
- (b) Set the objective, identify and select the alternatives, implement the plan, develop the premises and follow-up action.
- (c) Developing premises for new products, setting objectives, identifying alternative options, implementing the plan.
- (d) Generation of ideas, implementing the alternatives, premise development and follow-up action.

Q24. Ram, the production manager, ensures that the workers are given tasks according to their specialization. However, workers complain that Ram favors some employees over others on the grounds of their caste. Which principle of management is followed and ignored here?

- (a) Followed-Order, Ignored-Scalar Chain
- (b) Followed-Decentralisation; Ignored-Order
- (c) Followed-Division of Work; Ignored-Equity
- (d) Followed-Unity of Command; Ignored -Equity

- Q25. There is an increase in profit earned by equity shareholders because of the presence of fixed financial charges. This concept is:
- (a) Trading on debt
 - (b) Trading on equity
 - (c) Trading on fixed capital
 - (d) Operating leverage

Q26. Match List-I with List-II

| List-I | List-II |
|--|--|
| Process of organising | Meaning |
| (A) Departmentalisation | (I) Clearly defining the work of various job positions and allocating work to various employees accordingly. |
| (B) Establishing reporting relationships | (II) The establishment of clear association stating where to take orders from and to whom the employee is accountable. |
| (C) Identification and division of work | (III) Grouping the activities on the basis of similarity. |
| (D) Assignment of duties | (IV) Identifying and dividing the work that has to be done. |

Choose the correct answer from the options given below:

- (a) (A) - (IV), B - (I), C - (III), D - (II)
 - (b) (A) - (I), B - (III), C - (II), D - (IV)
 - (c) (A) - (III), B - (IV), C - (II), D - (I)
 - (d) (A) - (III), B - (II), C - (IV), D - (I)
- Q27. "A footwear company has already measured its quantifiable and qualitative goals". Identify the step of the controlling process highlighted in the aforesaid statement.
- (a) Analysing deviations
 - (b) Taking corrective action
 - (c) Comparing actual performance with standards
 - (d) Measurement of actual performance

Q28. Match List-I with

| List-I | List-II |
|---|--|
| Legal protection for consumers | Meaning |
| (A) The Bureau of Indian Standards Act | (I) Applicable to goods which are sold by weight, measure or number. |
| (B) The Standards of Weights and Measures Act | (II) Formulation of quality standards for goods and their certification. |
| (C) The Competition Act | (III) To protect and promote the interests of consumers. |
| (D) The consumer Protection Act | (IV) The Act protects consumers from practices adopted by businesses which hamper competition in the market. |

Choose the correct answer from the options given below:

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

Q29. Match List-I with List-II

| List-I | List-II |
|---------------------------------|--|
| Consumer rights | Meaning |
| (A) Right to be heard | (I) Right to acquire knowledge and to be a well informed consumer throughout life. |
| (B) Right to seek redressal | (II) The consumer has the right to file complaint with the organisation in case of dissatisfaction with a good or service. |
| (C) Right to consumer education | (III) The consumer has the right to be protected against goods and services which are hazardous to life and health. |
| (D) Right to safety | (IV) The consumer has a right to get relief if the product falls short of their expectations. |

Choose the correct answer from the options given

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

Q30. Mr. X has a few positions vacant in his business. What will be the correct order in deciding how to fill these positions?

- (A) Recruitment and selection
- (B) Training & Development
- (C) Estimating the manpower requirements
- (D) Placement and Orientation

Choose the correct answer from the options given below:

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

Q31. In an IT firm, there are separate departments for planning, operations and marketing. Each department functions independently, and has its own head. All departments report to their coordinating head, ensuring that different functions get the due attention.

Which type of organization structure is this?

- (a) Line structure
- (b) Divisional structure
- (c) Informal structure
- (d) Functional structure

Q32. "A firm offering free deodorant on purchase of a makeup kit". Which element of promotion mix is highlighted in this statement?

- (a) Advertising
- (b) Personal Selling
- (c) Sales Promotion
- (d) Public relations

Q33. It is often advised that, in a quest to control everything, it may often result in controlling nothing. Which concept of management is being referred to here?

- (a) Management by perfection

- (b) Task management
 - (c) Management by exception
 - (d) Impoverished management
- Q34. A cosmetic firm has been in personal care business for the past 30 years. Now the firm wants to diversify its operations across India by venturing into the garment and footwear segments. The organizational structure suitable in this case would be:
- (a) Line structure
 - (b) Functional structure
 - (c) Divisional structure
 - (d) Informal structure
- Q35. A leader has the viewpoint that reward or punishment can both be given based on the result achieved. What type of leadership is this?
- (a) Participative leadership
 - (b) Autocratic leadership
 - (c) Laissez faire leadership
 - (d) Charismatic leadership
- Q36. The primary aim of financial management is:
- (a) Profit maximisation
 - (b) Sales maximization
 - (c) Production maximization
 - (d) Wealth maximization
- Q37. Miss Y has applied for the position of production manager. What will be the correct series of steps that she will go through during the selection process?
- (A) Interview and background check
 - (B) Medical examination
 - (C) Selection decision
 - (D) Preliminary screening and tests
- Choose the **correct** answer from the options given below:
- (a) (A), (B), (C), (D)
 - (b) (A), (B), (D), (C)
 - (c) (C), (A), (B), (D)
 - (d) (D), (A), (C), (B)
- Q38. A finance manager was asked to pitch an offer to an automobile firm to buy some equity. The CEO and General Manager had different opinions on the percentage of the equity that should be acquired. The finance manager was in a dilemma and could not close the deal. Which principle is violated here?
- (a) Unity of Command
 - (b) Unity of Direction
 - (c) Subordination of individual interest to general interest
 - (d) Initiative
- Q39. A firm is facing difficulties managing the expenses of day-to-day operations. Which decision has the company ignored here?
- (a) Dividend decision
 - (b) Investment decision
 - (c) Working Capital decision
 - (d) Solvency decision
- Q40. The concept where subordinates perform tasks on behalf of the manager reducing his/her workload and providing more time to the manager to concentrate on important matters. This is called:
- (a) Accountability
 - (b) Delegation

- (c) Decentralisation
- (d) Centralisation

Comprehension:

[41– 45] Read the passage and answer the following questions:

TechNext Corporation, a leading global technology company, prides itself on providing an employee-centric culture that aligns with Maslow's hierarchy of needs. The company offers state-of-the-art office spaces with ergonomic furniture, recreational zones, nap pods and complimentary meals. It offers advanced training programs, creative freedom for employees to pursue innovative projects and funding for personal development and fulfillment initiatives. Beyond this, TechNext emphasizes protection of employees by providing competitive salaries, stock options and health insurance. To promote employee efforts, they offer initiatives like awards for outstanding performance, public appreciation in company-wide meetings and opportunities for internal career progression and recognition in the company. Furthermore, the company offers team building events, acceptance programs and off-site activities for a sense of belongingness.

Despite these efforts, challenges remain in the corporation.

- Q41. "It offers advanced training programs, creative freedom for employees to pursue innovative projects and funding for personal development and fulfillment initiatives". Which need in Maslow's hierarchy does this fulfill?
- (a) Affiliation needs
 - (b) Esteem needs
 - (c) Safety needs
 - (d) Self Actualization needs
- Q42. TechNext offers initiatives like awards for outstanding performance, public appreciation and recognition in the company. Which need does this fulfill?
- (a) Safety needs
 - (b) Affiliation needs
 - (c) Esteem needs
 - (d) Self-actualisation needs
- Q43. Which action by the company primarily addresses the physiological needs as per Maslow's theory?
- (a) Providing opportunities for internal career growth
 - (b) Offering meals and comfortable office furniture
 - (c) Hosting team building events
 - (d) Recognizing employees publicly for their achievements.
- Q44. Which need of Maslow's Need hierarchy is most likely unmet if employees feel that the company has a plan to reduce the workforce?
- (a) Physiological needs
 - (b) Esteem needs
 - (c) Affiliation needs
 - (d) Safety needs
- Q45. "The company offers team building events, acceptance programs and off-site activities for a sense of belongingness." Which need is being fulfilled by this?
- (a) Physiological needs
 - (b) Safety needs
 - (c) Affiliation needs
 - (d) Esteem needs

[46 – 50] Read the passage and answer the following questions:

Dynamic Horizons Ltd., a global brand, is known for its innovative approach to manufacturing and selling smartwatches. Recently, the company decided to launch its operations in two new markets- a developing country and a European nation. In the developing country, the company faced challenges such as unstable policies, a lack of proper infrastructure, limited purchasing power among the local population and an unfavorable attitude from the government. However, they noticed that the younger population was showing a growing interest in smartwatches, providing a potential market segment to target. But, the European nation presented an entirely different scenario with stringent laws and an established consumer base with high purchasing

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power and intense competition from local brands with similar watches. The smartwatch, which was desirable for populations in developing countries, was just another watch in European countries. Dynamic Horizons understood that they should adapt their products to the preferences of Europeans to gain a foothold here. So, the company in both the markets, leveraged advanced technological solutions including AI (Artificial Intelligence) technology and a tracking application in the smartwatch to enhance the customer experience. However, they faced challenges due to fluctuations in inflation rates which impacted raw material costs and transportation expenses. It is also imperative for the management of the enterprise to obey the law of the land.

- Q46. Dynamic Horizon faced instability and an unfavorable attitude from the government. Which dimension of the business environment is reflected in this statement?
- (a) Political environment
 - (b) Legal environment
 - (c) Social environment
 - (d) Economic environment
- Q47. The fluctuations in raw material cost and transportation expenses is due to which dimension of business environment?
- (a) Social dimension
 - (b) Political dimension
 - (c) Legal dimension
 - (d) Economic dimension
- Q48. It is also imperative for the management of the enterprise to obey the law of the land. Which dimension of the business environment is reflected in this statement?
- (a) Economic
 - (b) Legal
 - (c) Political
 - (d) Technological
- Q49. The advancement of smartwatches using artificial intelligence is a part of which dimension of the business environment?
- (a) Economic environment
 - (b) Technological environment
 - (c) Social environment
 - (d) Political environment
- Q50. The company's decision to modify product design according to European customers reflects which characteristic of business environment?
- (a) Uncertainty
 - (b) Relativity
 - (c) Inter-relatedness
 - (d) Complexity