

Business Studies Sample Paper

Section-1

Q 1. The principles of management are intended to be applied to all types and sizes of organisations. This statement reflects that the principles of management are

- a) General guidelines b) Flexible c) Universally applicable d) Mainly behavioral

Q 2. The principles of management do not provide readymade straight jacket solutions to all management problems because

- a) The real business situations are complex. b) The real business situations are dynamic.
c) The principles act as general guidelines. d) All of the above.

Q 3. According to the United Nations Environmental Agency, the world produces around 300 million tons of plastic each year, half of which constitutes single-use items. Ford is recycling over one billion plastic bottles every year to develop elements of the car's interior, reducing the amount of plastic ending up in a landfill. The American car maker has revealed that their Romanian-built EcoSport SUVs' carpets are made using 470 recycled single-use plastic bottles. The process for making Ford EcoSport carpets involves shredding bottles and their caps into tiny flakes and then heating them to 260° C. Identify the related dimension of business environment.

- a) Economic dimension b) Social dimension c) Technological dimension d) Political dimension

Q 4. Digi Locker is the country's first secured cloud-based platform for the storage, issuance, and verification of documents with the Driving Licence & Vehicle Registration System of the Road Transport Ministry. The integration of a government department with Digi Locker since its launch last year is one of the biggest of its kind. It will spare 1 people the trouble of carrying licences & vehicle papers, which can be accessed on phones using the Digi Locker app. Identify the related dimension of business environment.

- a) Economic dimension b) Technological dimension c) Social dimension d) Political dimension

Q 5. Rohan, a worker is given a target of assembling two computers per day. Due to his habit of doing things differently, an idea struck him, which would not only reduce the assembling time of computer but also reduce the cost of production. But instead of appreciating his idea, his supervisor scolded him and asked him to complete the work as per the prescribed technique. Identify and describe the limitation of planning stated here.

- a) Huge cost b) Time consuming c) Reduces Creativity d) Rigidity

Q 6. The production manager of a company received the complaint that the quality of the goods was not good. After investigation, it came to light that the machines had become very old. That is why, they were unable to achieve standardized quality. The production manager developed several options by way of solution to this problem. Example, getting the machines repaired, purchasing new local machines, purchasing new imported machines, if possible, taking machines on rent, etc. The CEO of the company wanted the list of options to be smaller, so that a thorough study could be made for them. In order to make the list of optional ways smaller, he decided to give up all those options which required the investment of more than Rs. 10 crores.

Identify the concept described in the paragraph given above.

- a) Planning b) Coordination c) Management d) Organizing

Q 7. Identify the type of organisational structure which facilitates occupational specialisation,

- a) Functional structure b) Horizontal structure c) Network structure d) Divisional structure

Q 8. Identify the type of organisational structure which makes training of employees easier, as the focus is only on a limited range of skills.

- a) Network structure b) Divisional structure c) Functional structure d) Matrix structure

Q 9. It is a career-oriented process.

- a) Training b) Development c) Selection d) Recruitment

Q 10. It is the process of management which is concerned with obtaining, utilising, and maintaining a satisfactory and satisfied work force.

- a) Planning b) Organizing c) Staffing d) Directing

Q 11. While other functions prepare a setting for action, name the function that initiates action in the organisation.

- a) Planning b) Organizing c) Staffing d) Directing

Q 12. Identify the level at which the directing function takes place in an organisation?

- a) Top level management b) Middle level management c) Lower-level management d) All of the above

Q 13. Deviations are said to be positive in nature when

- a) Planned performance is more than the actual performance b) Actual performance is more than the planned performance
c) Both planned and actual performances are same d) None of the above

Q 14. Which of the following statements is true with respect to controlling function?

- a) It is a forward-looking function. b) Is a backward-looking function.
c) Both (a) and (b) d) None of the above

Q 15. The size of assets, the profitability and competitiveness are all affected by

- a) Working capital decision b) Capital budgeting decision c) Financing decision d) Dividend decision

Q 16. These decisions affect the liquidity as well as profitability of a business.

- a) Capital budgeting decision b) Financing decision c) Working capital decision d) Dividend decision

Q 17. Which of the following statements is not true with regard to stock exchange?

- a) It provides a platform for buying and selling of new securities.
b) It curbs the marketability of the securities.
c) By providing a ready market, it extends liquidity to the securities.
d) It provides a platform for buying and selling of old securities.

Q 18. Which of the following is not a protective function of stock exchange?

- a) Prohibition of fraudulent and unfair trade practices.
b) Controlling insider trading.
c) Regulation of takeover bids by companies.
d) Promotion of fair practices and code of conduct in securities market.

Q 19. Which of the following is a feature of marketing process?

- a) Satisfying needs and wants of the consumers b) Creating a market offering
c) Developing an exchange mechanism d) All of the above

Q 20. Which of the following statements does not reflect a condition to be satisfied for an exchange to take place?

- a) Involvement of at least two parties- the buyer and the seller- is mandatory.
- b) Each party should be capable of offering something of value to the other.
- c) Exchange can take place if the buyers and sellers are not able to communicate with each other.
- d) Each party should have freedom to accept or reject other party's offer.

Q 21. Soham bought a bottle of soft drink of a famous beverage company and found a plastic pouch floating inside the bottle. He forwarded a legal notice to the company, accusing it of the deficiency in service that could cause health hazard to the consumer. Identify the right of consumer being violated in the given case.

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

Q 22. Tanmay booked several rooms in a reputed five-star hotel in Goa for his destination wedding. On the day of his wedding, when his friend Ramandeep, after attending the lunch party, returned to his room to take a shower, he had a fall in the bathroom. The bathroom was three stairs down to the bathing area and there was a handle bar to the right. On the second step, Ramandeep slipped badly and fell on his face with a great force, resulting in multiple fractures. He filled a case against the hotel for compensation for the injuries suffered due to faulty designing of its room. Identify the right of consumers being violated in the given case.

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

Q 23. To oversee the efforts of the workforce is the function of:

- a) Operational or supervisory management
- b) Top level management
- c) Middle level management
- d) None of the above

Q 24. Charu is planning to launch an online education portal. In order to understand the varied needs of the students, she conducted an online survey. based on the feedback of the survey she decided to offer educational packages to the prospective buyers.

Identify the type of marketing concept being described in the above lines.

- a) Product concept
- b) Production concept
- c) Marketing concept
- d) Societal marketing concept.

Q 25. "In an organization, the employees are happy and satisfied, there is no chaos, and the effect of management is noticeable." Which characteristic of management is highlighted by this statement?

- a) Management is a continuous process
- b) Management is all pervasive
- c) Management is multidimensional
- d) Management is an intangible force

Q 26. Identify the nature of management when it is practiced as personalized application of existing knowledge to achieve desired results.

- a) Management as a profession
- b) Management as an art
- c) Management as a science
- d) All of these.

Q 27. Arrange the following steps of planning process in the required sequence

1. Evaluating alternative courses
2. Developing premises
3. Identifying alternative courses of action.
4. Selecting an alternative.

- a) 1, 2, 3, 4
- b) 2, 1, 3, 4
- c) 1, 3, 2, 4
- d) 2, 3, 1, 4

Q 28. Bata ltd is a shoe manufacturing enterprises situated in Jaipur Rajasthan. It is earning very low revenue in

comparison to a competing shoe manufacturing enterprise, Nyke Ltd. situated in Mumbai. Both Bata's and Nyke's operations are affected directly by the investors, customers, competitors, and suppliers, which are unique to their respective locations. In addition to this, individual forms of this field are affected indirectly by the factors like the money supply in the economy, composition of the families, the technological changes, etc. Identify the features of the concept discussed in the above paragraph.

- a) Specific and general forces b) Dynamic nature c) Relativity d) All the above

Q 29. A prerequisite for a successful & efficient recruitment programme is to have a(n).

- a) Corporate policy b) HR policy c) Recruitment policy d) Health policy

Q 30. The advantages of recruiting an employee by Advertising method is _____

- a) Fresh graduates with latest technology b) Wider choice of qualified personnel
c) Limited choice d) Economical

Q 31. Management by Exception refers to _____

- a) Significant deviation which goes beyond the permissible limit should be brought to the notice of the management.
b) Focuses on the key result areas.
c) Comparison of actual performance with the standard.
d) Measurement of Company's and its employees' performance.

Q 32. Standards can be set in the following terms:

- a) Only Qualitative b) Only Quantitative
c) Both Qualitative and Quantitative d) Neither Qualitative nor Quantitative

Q 33. What is the other name of long-term decision?

- a) Capital Budgeting b) Gross working capital c) Financial management d) Working Capital

Q 34. Return on investment is computed as?

- a) Total Investment X EBIT b) EBIT X EBT c) EBIT / Total Investment d) EBT / Total Investment

Q 35. What is the cost of raising funds called?

- a) Flotation Cost b) Marginal Cost c) Fixed Cost d) Variable Cost

Q 36. What is the basic objective of financial management?

- a) Maximize the wealth of shareholders. b) Developing a sound capital structure.
c) Easier evaluation of actual performance d) Help to prepare for future.

Q 37. The process of selection starts with _____. (Choose the correct alternative for fill in the blanks)

- a) Tests b) Screening c) Personal interview d) Background checks

Q 38. What is meant by the term capital structure?

- a) Ratio of Debt and Equity b) Ratio of Debt and Fund c) Ratio of interest and equity d) Ratio of Debt and assets

Q 39. Which of the following alternatives is correct with regard to the given statements?
(Choose the correct alternative)

Statement 1: Controlling identifies the deviation from pre-defined standards.

Statement 2: An effort must be made to control everything in the organization.

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|------------------------------|------------------------------|------------------------------|--------------------------------|
| a) | b) | c) | d) |
| Only Statement 1 is correct. | Only Statement 2 is correct. | Both statements are correct. | Both statements are incorrect. |

Q 40. What is meant by the term branding?

- | | | | |
|------------------------------|---------------------------|---------------------------|---------------------|
| a) | b) | c) | d) |
| Suitable name of the product | Protection of the product | Enhancing sale of product | Size of the market. |

Q 41. A form of communication in which information flows in all directions is called _____ communication.

- | | | | |
|------------|-------------|--------------|---------------|
| a) Lateral | b) Vertical | c) Grapevine | d) Horizontal |
|------------|-------------|--------------|---------------|

Q 42. Assertion (A): Management is not essential for non-profit organisations.

Reason (R): Management is influenced by environment.

- a) Both A and R are correct
- b) Both A and R are incorrect
- c) Both A and R are correct, and R is the correct explanation of A
- d) Both A and R are correct, and R is not the correct explanation of A

Q 43. Assertion (A): Accurate cause and effect relationship can be established by principles of management.

Reason (R): Principles of management apply to human behavior which is not identical.

- a) Both A and R are correct
- b) Both A and R are incorrect
- c) Both A and R are correct, and R is the correct explanation of A
- d) Both A and R are correct, and R is not the correct explanation of A

Q 44. Assertion (A): Planning is the part of the management process that attempts to define the organisation's future.

Reason (R): Planning involves looking ahead and preparing for the future.

- a) Both A and R are correct
- b) Both A and R are incorrect
- c) Both A and R are correct, and R is the correct explanation of A
- d) Both A and R are correct, and R is not the correct explanation of A

Q 45. Assertion (A): Authority flows downwards.

Reason (R): Responsibility flows from the superior to the subordinate.

- a) Both A and R are correct
- b) Both A and R are incorrect
- c) Both A and R are correct, and R is the correct explanation of A
- d) Both A and R are correct, and R is not the correct explanation of A

Direction Read the following text and answer question numbers [46-50] on the basis of the same.

Arora garment manufacturing company has decided to identify the needs of the customer to start successful marketing of the garment produced by it and for this the company is doing SWOT analysis (Strength, Weakness, Opportunity, and Threat analysis). this company is pursuing its objects with full efforts. At has decided to make a its objective with full efforts. It has decided to make a blueprint for the amount of production it will do, the efforts behind promotion it will put and all other major actions it will undertake to achieve its objectives. However, the company has one weak area which it would like to improve. The physical movement for it prepared garments was not proper last year, and the company wants to ensure it is done properly this year. For this thing to be done properly it has created a separate department hope the company does better in

Q 46. Which of the following concept is discussed in above case?

- Q 47.** Arora garment manufacturing company _____ SWOT, analysis"
Which function of marketing is performed in above case?

- Q 48.** It has decided to make a blueprint _____ achieve its objectives". Which function of marketing is highlight in given case.

- Q 49.** The physical movement of its prepared garment _____ this year” highlight in above case?

- Q 50.** Which of the following is not a function of marketing?

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1	c	2	d	3	c	4	b	5	c	6	a	7	a	8	c	9	c	10	c
11	d	12	d	13	b	14	c	15	b	16	c	17	b	18	c	19	d	20	c
21	a	22	d	23	a	24	c	25	d	26	b	27	d	28	a	29	c	30	b
31	a	32	c	33	a	34	c	35	a	36	a	37	b	38	a	39	a	40	a
41	c	42	d	43	d	44	a	45	c	46	b	47	d	48	b	49	d	50	d