

SAMPLE PAPER 6

Maximum Marks : 200

Time : 45 Minutes

General Instructions:

- (i) This paper consists of 50 MCQs, attempt any 40 out of 50.
- (ii) Correct answer or the most appropriate answer: Five marks (+5).
- (iii) Any incorrect option marked will be given minus one mark (– 1).
- (iv) Unanswered/Marked for Review will be given no mark (0).
- (v) If more than one option is found to be correct then Five marks (+5) will be awarded to only those who have marked any of the correct options.
- (vi) If all options are found to be correct then Five marks (+5) will be awarded to all those who have attempted the question.
- (vii) If none of the options is found correct or a Question is found to be wrong or a Question is dropped then all candidates who have appeared will be given five marks (+5).
- (viii) Calculator / any electronic gadgets are not permitted.

1. Your mother purchased a washing machine for ₹ 10,000 from an authorised dealer of the manufacturer with a verbal guarantee that the machine will be replaced with a new one if any of its parts becomes defective within 3 months from the date of purchase. The motor of the machine was burnt within 15 days of its purchase. On complaining, the seller refused to replace the machine. Name the redressal agency under Consumer Protection Act where your mother can file the complaint.

- (1) District Commission
- (2) State Commission
- (3) National Commission
- (4) None of above

2. Match the CATEGORY being marketed in Column I with the correct EXAMPLE in Column II.

	Column I		Column II
(1)	Ideas	(i)	Film festival
(2)	Experience	(ii)	Family Planning
(3)	Events	(iii)	Mountaineering

- (1) (ii), (iii), (i)
- (2) (iii), (ii), (i)
- (3) (ii), (i), (iii)
- (4) (iii), (i), (ii)

3. The Securities and Exchange Board of India was established by the Government of India and was given a statutory status in

- (1) 1988
- (2) 1992
- (3) 1996
- (4) 1998

4. When the stock market is bearish, a company must go for which of the following?

- (1) More debt
- (2) Less debt
- (3) More equity
- (4) Equal mix of debt and equity

5. Which of the following steps in the Controlling process state that comparison becomes easier when standards are set in quantitative terms ?

- (1) Analysing deviations
- (2) Measurement of actual performance
- (3) Comparing actual performance with standards
- (4) Setting performance standards

6. Which of the following statements is true regarding 'Communication'?

- (1) Communication acts as a basis for coordination.
- (2) Communication is basis to an organisation's existence, right from its birth through its continuing life.
- (3) It is a process by which people create and share information with one another in order to reach at a common understanding.
- (4) All of the above

7. Match the ELEMENTS of Delegation in Column I with the corresponding EXPLANATION in Column II.

	Column I		Column II
(a)	Authority	(i)	Being answerable for the final outcome.

(b)	Responsibility	(ii)	Right to take decisions inherent in a managerial position.
(c)	Accountability	(iii)	Obligation of a subordinate to perform the assigned duty properly.

(1) (ii), (iii), (i)

(2) (iii), (ii), (i)

(3) (iii), (i), (ii)

(4) (ii), (i), (iii)

8. Match the CHARACTERISTICS of management in Column I with their correct EXPLANATIONS in Column II:

	Column I		Column II
(a)	Goal-oriented process	(i)	Management is a complex activity involving management of people, work and operations.
(b)	Group activity	(ii)	Some aims and objectives are the basic reason for existence of an organization.
(c)	Multi-dimensional	(iii)	Diverse individuals with different needs work together to fulfill the common organizational goal.

(1) (ii), (i), (iii)

(2) (ii), (iii), (i)

(3) (iii), (ii), (i)

(4) (iii), (i), (ii)

9. "Due to enforcement of Euro-IV emission norms, an automobile company had to phase out one of its model." Identify the dimension of environment highlighted in the given statement.

(1) Technological

(2) Political

(3) Legal

(4) Economic

10. Which of the following type of plan provides the broad contours of an organisation's business:

(1) Strategy

(2) Objective

(3) Policy

(4) Procedure

11. ensures that the heads of separate business units in the organisation are responsible for profit or loss of their unit and have authority over it.

(1) Span of management

(2) Divisional structure

(3) Functional structure

(4) Hierarchy of authority

12. An important project at AMB consultants is running behind schedule by a month. This has upset their clients and might affect the reputation of the company in the long run. No managerial action like assigning more workers, equipment or giving overtime has been able to solve the problem. What managerial action may now be taken by the company to avoid such a situation from arising in future?

(1) Revise the schedule

(2) Assigning additional workers and equipment to the project

(3) Get permission for further overtime work

(4) Both (2) and (3)

13. Which of the following nature of management involves skillful and personal application of existing knowledge to achieve desired results?

(1) Science

(2) Art

(3) Profession

(4) None of these

14. Even though the political conditions vary from country to country, they impact the sentiment of an investor in the business, if the instability of the political conditions cause uncertainty and make it difficult for him to predict the future. Which feature of the business environment is being highlighted in the above statement?

(1) Specific and general forces

(2) Dynamic nature

(3) Relativity

(4) All the above

15. _____ is a statement of expected results expressed in numerical terms.

(1) Method

(2) Policy

(3) Budget

(4) Rule

16. When the stock market is bullish, a company must go for which of the following?

(1) More debt

(2) More equity

(3) Less equity

(4) Equal mix of debt and equity

17. A car manufacturer offers to sell a particular brand of car at a discount of ₹ 10,000 for a limited period. Identify the sales promotion activity in the above example.

(1) Refund

(2) Product combinations

(3) Rebate

(4) Discount

18. Under The Consumer Protection Act, 2019, can be approached to file a complaint by the legal heir of a deceased consumer if compensation claimed is ₹ 3 crores? [A]

(1) District Commission

(2) State Commission

(3) National Commission

(4) All of the above

19. State the first development bank of the country

(1) ICICI

(2) IDBI

(3) SFC

(4) IFCI

20. Controlling means ensuring that activities in an organisation are performed as per the _____.

(1) Plans

(2) Goals

(3) Resources

(4) None of these

- 21.** Match the QUALITIES of a good leader in Column I with their correct EXPLANATIONS in Column II

	Column I		Column II
(a)	Initiative	(i)	Being firm and not changing opinions frequently.
(b)	Social skills	(ii)	Not waiting for opportunities to come but rather grabbing the opportunity and using it to the advantage of the organisation.
(c)	Decisiveness	(iii)	Capacity to clearly explain the ideas and make the people understand them.
(d)	Communication skills	(iv)	Being friendly with his colleagues and followers.

- (1) (i), (iii), (iv), (ii) (2) (iv), (iii), (ii), (i)
 (3) (iv), (ii), (i), (iii) (4) (ii), (iv), (i), (iii)

- 22.** Which of the following type of plan reflects a managerial decision that a certain action must or must not be taken:

- (1) Method (2) Rule
 (3) Programme (4) Procedure

- 23.** Amrita keeps machines, materials, tools, etc. ready for operations by concerned workers. Whose work is described by this statement under functional foremanship?

- (1) Gang Boss (2) Repair Boss
 (3) Route Clerk (4) Speed Boss

- 24.** Full form of IFCI

- (1) Industrial finance corporation of India.
 (2) Institutional finance corporation of India.
 (3) Industrial funding corporation of India.
 (4) Indian finance corporation and institution.

- 25.** Which type of organisational structure is the most suitable when the size of the organisation is large and is producing one line of product?

- (1) Functional (2) Divisional
 (3) Both (1) and (2) (4) None of these

- 26.** _____ is an individual who initiates, creates and manages a new business.

- (1) A leader (2) A manager
 (3) A professional (4) An entrepreneur

- 27.** Which of the following activities are associated with 'Mental Revolution' on the part of management and workers?

- (1) Trade unions not going on strike.
 (2) Management sharing the gains of the company with the workers.
 (3) Workers working hard and be willing to embrace change for the good of the company.
 (4) All of the above

- 28.** Match the NATURE of management in Column I with its correct EXPLANATION in Column II :

	Column I		Column II
(1)	Art	(i)	Management is based on a systematic body of knowledge comprising well-defined principles based on a variety of business situations.
(2)	Profession	(ii)	Principles of management are based on repeated experimentation and observation in different types of organisations.
(3)	Science	(iii)	Manager applies the acquired knowledge in a personalized and skillful manner.

- (1) (ii), (i), (iii) (2) (ii), (iii), (i)
 (3) (iii), (ii), (i) (4) (iii), (i), (ii)

- 29.** Match the NATURE of PRINCIPLES OF MANAGEMENT in Column I with their correct EXPLANATION in Column II.

	Column I		Column II
(1)	Universal applicability	(i)	Direct but do not provide readymade, straitjacket solutions
(2)	General guidelines	(ii)	Not rigid prescriptions, can be modified as per the situation
(3)	Flexible	(iii)	Aim at influencing behaviour of human beings
(4)	Behavioural	(iv)	Applicable to all types of organizations

- (1) (i), (ii), (iii), (iv) (2) (iii), (ii), (iv), (i)
 (3) (iii), (iv), (i), (ii) (4) (iv), (i), (ii), (iii)

- 30.** Name the function of management which helps in the formulation of future plans, in the light of the problems that were identified and thus, helps in better planning in the future period.

- (1) Planning (2) Organising
 (3) Directing (4) Controlling

- 31.** is the process of converting encoded symbols of the sender.

- (1) Encoding (2) Decoding
 (3) Media (4) All of these

- 32. Assertion (A):** Identification and division of work is the first step in the process of organising.

Reason (R): Organising involves identifying and dividing the work that has to be done in accordance with previously determined plans.

- (1) Both (A) and (R) are true, and (R) is the correct explanation of (A).

- (2) Both (A) and (R) are true, but (R) is not the correct explanation of (A).
 (3) (A) is true, but (R) is false.
 (4) (A) is false, but (R) is true.
- 33. Assertion (A):** Organising provides a clear description of jobs and related duties.
Reason (R): Organising stimulates creativity amongst the managers.
 (1) Both (A) and (R) are true, and (R) is the correct explanation of (A).
 (2) Both (A) and (R) are true, but (R) is not the correct explanation of (A).
 (3) (A) is true, but (R) is false.
 (4) (A) is false, but (R) is true.
- 34.** Of the following sources of funds, are not Borrowed Funds.
 (1) Loans (2) Retained earnings
 (3) Public deposits (4) Debentures
- 35.** Which of the following is applicable to a 'Standing Plan':
 (1) Is developed once
 (2) Is modified from time-to-time
 (3) Used for activities that occur regularly
 (4) All the above
- 36.** Management is
 (1) A Science
 (2) An Art
 (3) Both a science and an art
 (4) None of the above
- 37.** "The increase in the demand for many ayurvedic medicines, health products and services in the past few months, is related to the need for building immunity and an increased awareness for health care due to the spread of Corona Virus." Identify the feature of business environment being described above.
 (1) Specific and general forces
 (2) Inter-relatedness
 (3) Relativity
 (4) None of the above
- 38.** Why did F.W. Taylor propose eight specialists under Functional Foremanship?
 (1) Because all qualities like intelligence, education, tact, grit, manual dexterity, energy, etc., could not be found in a single person.
 (2) Because the number of foremen or supervisors in a factory set-up is very large.
 (3) Because the number of workers in a factory set-up is very large.
 (4) All of the above.
- 39.** Which of the following is true regarding the different types of plans that exist:
 (1) A budget is a statement of expenses, revenue and income for a specified period.
 (2) Policy provides broad contours referring to future decisions defining the organisation's direction and scope in the long run.
 (3) Single-use plans are designed to ensure that internal operations of an organisation run smoothly.
 (4) A standing plan is developed to achieve specific objectives so non-recurring in nature and not likely to be repeated in future.
- 40.** Which of the following is/are the 'Developmental Functions' of Securities and Exchange Board of India?
 (1) It trains the intermediaries of securities market
 (2) It conducts research and publishes information useful to all market participants
 (3) It undertakes measures to develop the capital markets by adapting a flexible approach.
 (4) All of the above
- 41.** When a leader is a role model to others regarding ethics and values, he is said to possess the quality of
 (1) Initiative (2) Integrity
 (3) Self-confidence (4) Decisiveness
- 42.** That part of a brand which can be recognised but which is not utterable is called
 (1) Brand Mark (2) Trade Mark
 (3) Brand Name (4) All of these
- 43.** Of the following sources of funds, are Owner's Funds.
 (1) Equity share capital
 (2) Preference share capital
 (3) Reserves and surpluses
 (4) All of the above
- 44.** Hemu's mother gifted her shares of a large IT company. The securities were in physical form. She has a bank account but does not possess any other forms of security. She wanted to sell the shares and approached a registered broker. Which of the following is a mandatory detail which she needs to provide the broker?
 (1) Permanent Account Number
 (2) Educational qualification and occupation.
 (3) Residential status
 (4) None of the above
- 45.** 'Ultimate Televisions Ltd.' is offering its 50" TV sets at a discount of ₹ 10,000 for a period of two months beginning from 15th February, 2021. Which of the following sales promotion activity is being used by 'Ultimate Televisions Ltd.' :
 (1) Discount (2) Refunds
 (3) Rebate (4) Quantity gift
- 46.** Mr. X purchased a car for ₹ 15 lakh but he is not satisfied with the quality and performance of the car. The company of the car did not provide any remedy to him. Under which authority of

Consumer Protection Act, 2019 can he file an appeal ?

- (1) District Commission
- (2) State Commission
- (3) National Commission
- (4) None of these

I. Read the following text and answer the following questions on the basis of the same:

Mr. Vikas Goel is an H.R. Manager of "Sanduja Furniture Private Limited." At the beginning of the new year he anticipated that the company will need 30 new additional persons to fill up different vacancies. He gave an advertisement in the newspaper inviting applications for filling up different vacant posts. As many as 120 applications were received. The same were scrutinized. Out of these, conditions of 15 applicants were not acceptable to the company. Letters of regret, giving reasons, were sent to them. Remaining candidates were called for preliminary interview. The candidates called for were asked to fill up blank application forms. Thereafter, they were given four tests.

The objective of the first test was to find out how much interest the applicant takes in his work.

The objective of the second test was to find out 'specialization' of the applicant in any particular area.

Third test aimed at making sure whether the applicant was capable of learning through training or not.

The purpose of the fourth test was to find out how much capability a person has to mix-up with other persons, and whether he can influence other persons and get influenced by them.

47. "The purpose of the fourth test was too find out how much capability a person has to mix-up with other persons, and whether he can influence other persons and get influenced by them." Which tests is indicated in this situation?
- (1) Personality Test (2) Intelligent Test
 - (3) Aptitude Test (4) Trade Test
48. "At the beginning of the new year he anticipated that the company will need 30 new additional persons to fill up different vacancies." Identify the first step of staffing.
- (1) Placement and Orientation
 - (2) Training and Development
 - (3) Recruitment
 - (4) Estimating Manpower Requirement
49. From the given lines, 'Out of these, conditions of 15 applicants were not acceptable to the company. Letters of regret, giving reasons, were sent to them'. Which aspect of staffing is highlighted in the statement?
- (1) Recruitment (2) Selection
 - (3) Training (4) Education
50. The applicants were given four tests like intelligent test to interest test after filling up blank application form. Identify which step of selection process was followed by the management.
- (1) Selection decision (2) Selection test
 - (3) Job offer (4) Medical examination



SOLUTIONS

1. Option (1) is correct.

Explanation: The Distinct commission can entertain consumer complaint having value upto ₹1 crore.

2. Option (1) is correct.

3. Option (2) is correct.

Explanation: The Securities and Exchange Board of India was established by the Government of India on 12 April, 1988 as an interim administrative body to promote orderly and healthy growth of securities market and for investor protection. It was to function under the overall administrative control of the Ministry of Finance of the Government of India. The SEBI was given a statutory status on 30 January, 1992 through an ordinance.

4. Option (1) is correct.

Explanation: During a bearish phase, a company may find raising of equity capital more difficult and it may opt for debt.

5. Option (3) is correct.

Explanation: In controlling the third is of comparing actual performance with predetermined goals.

6. Option (4) is correct.

Explanation: Communication is a process of transferring information from one place, person or group to another. It acts as a basis of coordination among different employees. It is a continuous process that forms basis to an existence of any organisation.

7. Option (1) is correct.

8. Option (2) is correct.

9. Option (3) is correct.

Explanation: Legal environment consists of legislation that is passed by the Parliament and state legislatures. Legal environment consists of the legal framework within which business has to function, including legislation passed by the government, administration orders, court judgement, etc.

10. Option (1) is correct.

Explanation: Strategy provides broad contours of an organisation as it is comprehensive in nature. It outlines the goals of the organisation and the path to accomplish them.

11. Option (2) is correct.

Explanation: Divisional structure is a system in which a company segregate its employees based on products or markets, which leads to specialisation in their jobs and thus are responsible for profit or loss of their unit.

12. Option (1) is correct.

Explanation: As no managerial action has been able to solve the problem so revision of the schedule shall be done by the manager to fulfill the gap caused by an inappropriate schedule.

13. Option (2) is correct.

Explanation: A successful manager practices the art of management in the day-to-day job of managing an enterprise based on study. A manager applies his acquired knowledge in a personalised and skillful manner in the light of the realities of a given situation.

14. Option (4) is correct.

15. Option (3) is correct.

Explanation: Budget is a financial plan for a defined period, often one year.

16. Option (2) is correct.

Explanation: If the stock markets are bullish, equity shares are more easily sold even at a higher price. Use of equity is often preferred by companies in such a situation.

17. Option (3) is correct.

Explanation: Offering products at special prices, to clear off excess inventory is called rebate.

18. Option (2) is correct.

Explanation: State commission can entertain consumer complaints having value upto 2 crore.

19. Option (4) is correct.

Explanation: IFCI is the first development bank of the country.

20. Option (1) is correct.

Explanation: Controlling means the activities are compared with the determined plans and the deviations are fulfilled to reach the goals.

21. Option (4) is correct.

22. Option (2) is correct.

Explanation: The rules can be described as a decision that has to be made by the management regarding the required course of action in a particular situation.

23. Option (1) is correct.

Explanation: Gang boss performs the preliminary operations regarding how workers should work on the machine. He also decides about which physical resources such as tools and equipment, etc. are required at the work place and arranges for them.

24. Option (1) is correct.

25. Option (1) is correct.

Explanation: Functional organisational structure is appropriate for organisations producing one live of product whereas organisations operating in more-than one live of product should have divisional structure.

26. Option (4) is correct.

Explanation: An entrepreneur creates and manages a new business effectively and efficiently.

27. Option (4) is correct.

28. Option (4) is correct.

29. Option (4) is correct.

30. Option (4) is correct.

Explanation: Controlling helps in the formulation of future plans by finding the deviations. Controlling helps in the formulation of better future plans for desired goal.

31. Option (2) is correct.

Explanation: It is the process of converting the symbols encoded by the sender. After decoding the message is received by the receiver.

32. Option (1) is correct.

Explanation: The organising function begins with the division of total work into smaller units. Each unit of total work is called a job. The division of work into smaller jobs leads to specialization because jobs are assigned to individuals according to their qualifications and capabilities.

33. Option (2) is correct.

Explanation: Organising provides a clear description of jobs and related duties. This helps to avoid confusion and duplication. Clarity in working relationships enables proper execution of work.

34. Option (2) is correct.

Explanation: Borrowed funds can be in the form of loans, debentures, public deposits, etc. These may be borrowed from banks, other financial institutions, debenture holders and public.

35. Option (4) is correct.

36. Option (3) is correct.

Explanation: Management is both a science as well as an art. Like science it has systematic and well-organised body of knowledge and like an art it requires personal skill, creativity and practice to apply such knowledge in the best possible way.

37. Option (2) is correct.

38. Option (1) is correct.

Explanation: Taylor concentrated on improving the performance of this role in the factory set-up. In fact, he identified a list of qualities of a good foreman/supervisor and found that no single person could fit them all. This prompted him to suggest functional foremanship through eight persons.

39. Option (1) is correct.

40. Option (4) is correct.

Explanation: Developmental function refers to the steps taken by SEBI in order to provide the investors with a knowledge of the trading and market function. It includes training of intermediaries who are a part of the security market, introduction of trading through electronic means and by making the underwriting an optional system in order to reduce cost of issue.

41. Option (2) is correct.

42. Option (1) is correct.

Explanation: That part of a brand which can be recognised but which is not utterable is called brand mark. It appears in the form of a symbol, design, distinct color scheme or lettering.

43. Option (4) is correct.

Explanation: Owners' funds consist of equity share capital, preference share capital and reserves and surpluses or retained earnings.

44. Option (1) is correct.

Explanation: If an investor wishes to buy or sell any security he has to first approach a registered broker or sub-broker and enter into an agreement with him. The investor has to sign a broker-client agreement and a client registration form before placing an order to buy or sell securities and also has to provide certain other details and information such as PAN number.

45. Option (3) is correct.

46. Option (1) is correct.

47. Option (1) is correct.

Explanation: Personality tests provide clues to a person's emotions, his reactions, maturity and value system, etc. These tests probe the overall personality.

48. Option (4) is correct.

Explanation: Manpower planning refers to the process of estimating the manpower requirement of an organisation. While estimating the manpower requirement, the management generally keeps in mind the available infrastructure including the technology, production schedule, market fluctuation, demand forecasts, government's policies and so on.

49. Option (2) is correct.

Explanation: Selection is the process of identifying and choosing the best person out of a number of prospective candidates for a job.

50. Option (2) is correct.

Explanation: The selection test is done by analysis the intelligence interest of the candidate for choosing the best candidate. Out of all.

