

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. The production department at Karishmaa Ltd., a firm manufacturing readymade garments for men has an objective to increase production by 10% but the Sales department does not approve of the increase in production, till changes are brought about in the product to incorporate latest fashion. These kinds of conflicts bring to light the following importance of the force that can help to accomplish the linking of activities of various departments:
(a) Growth in size (b) Functional differentiation
(c) Specialization (d) Efficiency
2. In order to enter into profession one has to acquire an educational degree by clearing specified examination conducted by registered institutes. Which feature of profession is being revealed?
(a) Restricted entry (b) Ethical code of conduct
(c) Professional association (d) Well defined body of knowledge
3. Identify the dimension of the characteristic of management- "it is multidimensional", which specifies that the task of management is to make the strengths of human resources effective and their weaknesses irrelevant towards achieving the organisation's objectives.
(a) Management of work (b) Management of people
(c) Management of operations (d) Management of goals
4. KTX Group is rolling out an initiative to help create wealth for its employees through the implementation of Employee Stock option. Through motivation and leadership, the management will help individuals to develop team spirit, cooperation and commitment to the success of the group. The following importance of management is highlighted above:
(a) Management helps in achieving personal objectives
(b) Management helps in the development of society
(c) Management creates a dynamic organisation
(d) Management increases efficiency
5. Keeping in view, the changes in the consumer demands and preferences, Royal Bakery has reduced the sugar and fat content in its products. This approach of business shows that management is
(a) An intangible force (b) A group activity
(c) A dynamic function (d) A multidimensional activity
6. The Foreman responsible for quality of work is
(a) Repair Boss (b) Disciplinarian
(c) Inspector (d) Gang Boss

7. Through this principle of management, Henri Fayol guides the managers to exhibit exemplary behaviour and advises that they should not fall into temptation of misusing their powers for personal benefit at the cost of general interest of the organisation. Which principle of management is being described in the above statement?
 - (a) Remuneration of employees
 - (b) Centralisation and decentralisation
 - (c) Subordination of individual interest to general interest
 - (d) Equity
8. The Delhi Government imposes ban on use, storage, sale and manufacture of plastic after considering its adverse impact on environment and ecology. Which principle of Fayol is mentioned in the above decision?
 - (a) Initiative
 - (b) Division of work
 - (c) Esprit de corps
 - (d) None of these
9. Which of the following does not explain the impact of government policy changes on business and industry?
 - (a) More demanding customers
 - (b) Change in agricultural prices
 - (c) Increase in competition
 - (d) Market orientation
10. The forces in Business Environment that affect all the business houses are known as
 - (a) General
 - (b) Specific
 - (c) Particular
 - (d) Influential
11. Demonetisation had direct impact on
 - (a) Social Environment
 - (b) Political Environment
 - (c) Economic Environment
 - (d) None of the above
12. The composite plan which involves setting up of long-term objective, finding course of action and allocation of resources is called
 - (a) Policy
 - (b) Strategy
 - (c) Programme
 - (d) Procedure
13. Controlling device from which deviations can be taken care of is
 - (a) Procedure
 - (b) Strategy
 - (c) Policy
 - (d) Budget
14. If there is a plan to increase production then more labour, more machinery will be required. This step in the process of planning will involve organising for labour and purchase of machinery. Identify the step in the planning process being discussed above.
 - (a) Identifying alternative courses of action
 - (b) Setting objectives
 - (c) Selecting an alternative
 - (d) Implementing the plan
15. Organising doesn't include
 - (a) What will be done.
 - (b) By whom will be done.
 - (c) When will be done.
 - (d) How will be done.
16. Name the type of organisation which is deliberately designed by top management to achieve a common organisational objective.
 - (a) Informal organisation
 - (b) Corporate organisation
 - (c) Formal organisation
 - (d) Divisional organisation
17. The managerial function which establishes relation between responsibility and authority is
 - (a) Planning
 - (b) Staffing
 - (c) Organising
 - (d) Directing
18. Grouping of activities on the basis of product line is a part of
 - (a) Functional structure
 - (b) Divisional structure
 - (c) Formal organisational
 - (d) Informal organisation

- 19. 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.
- (a) Both (A) and (R) are correct
 (b) (A) is correct (R) is 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)
- 20. Which method of recruitment is economical?**
- (a) Internal (b) External
 (c) Both (a) and (b) (d) None of the above
- 21. Visit by senior manager to various professional colleges to search for prospective candidates is known as**
- (a) Internal Recruitment (b) Recommendations from employees
 (c) Employment Exchange (d) Campus Recruitment
- 22. The form which contains certain vital details about the candidate, which is authenticated and attested by him or her is**
- (a) Job offer (b) Contract of employment
 (c) Medical Test Report (d) None of the above
- 23. The Information Technology department of Hi Tech Ltd. had few vacancies in cyber security. The Human Resource department of the company decided to recruit the fresh engineers and graduate of IT from IIT University. The type of recruitment is**
- (a) Placement Agencies (b) Employment Exchange
 (c) Direct Recruitment (d) Campus Placement
- 24. Lack of proper incentive is what type of Barrier?**
- (a) Personal barrier (b) Organisational barrier
 (c) Psychological barrier (d) Semantic barrier
- 25. Jagan, who was working in a big company resigned on the ground of “lack of recognition and attention” in the organization towards his work and performance.**
Identify the hierarchy need according to Maslow which was not satisfied for Jagan.
- (a) Psychological needs (b) Safety needs
 (c) Affiliation needs (d) Esteem needs
- 26. The barrier due to lack of vocabulary, wrong grammar or use of wrong words is called**
- (a) Badly expressed message (b) Technical Jargon
 (c) Faulty Translation (d) Symbol with different meaning
- 27. Motivators can be**
- (a) Positive only (b) Negative only
 (c) Positive as well as negative (d) None of the above
- 28. Informal organisation and informal communication tries to fulfil**
- (a) Physiological need (b) Social need
 (c) Safety security need (d) Self-actualisation need
- 29. If deviations are minor, it should**
- (a) Be taken seriously (b) Be ignored
 (c) Be reported to top level (d) None of the above
- 30. Standards can be set in the following terms**
- (a) Only Qualitative (b) Only Quantitative
 (c) Both Qualitative and Quantitative (d) Neither Qualitative nor Quantitative

- 31. Management by exception and critical point control techniques of controlling**
 (a) Wastes energy and efforts of managers.
 (b) Saves energy and efforts of managers.
 (c) Does not affect on energy and effects of managers.
 (d) All of the above
- 32. Capital Structure indicates ratio between**
 (a) Assets and Liabilities of the firm
 (b) Current Assets and Fixed Assets
 (c) Debt and Equity in the total capital
 (d) Profit and Revenue of the firm
- 33. The amount of fixed assets is decided by**
 (a) Working capital concept
 (b) Fixed capital
 (c) Investment decision
 (d) Financing decision
- 34. Positive leverage effect brings**
 (a) Gain for equity shareholders
 (b) Loss for equity shareholders
 (c) Both (a) and (b)
 (d) None of the above
- 35. The amount of current assets is decided by**
 (a) Working capital concept
 (b) Fixed capital
 (c) Investment decision
 (d) Financing decision
- 36. Higher debt equity ratio $\left(\frac{\text{Debt}}{\text{Equity}}\right)$ results in**
 (a) Lower financial risk
 (b) Higher degree of operating risk
 (c) Higher degree of financial risk
 (d) Higher EPS
- 37. Financial market help to save time, efforts and money that both buyers and sellers of financial assets would have to otherwise spend on getting information. The function of financial market referred in above para is**
 (a) Facilitate Price discovery
 (b) Provide liquidity to financial assets
 (c) Reduce the cost of transaction
 (d) Mobilisation of saving and channelising them into most productive use
- 38. Delivery of shares sold or payment of cash for the shares bought is made on the**
 (a) Pay in day
 (b) Pay out day
 (c) Both (a) and (b)
 (d) None of the above
- 39. _____ is the marketing function which is concerned with informing the customers about the firm's products.**
 (a) Transportation
 (b) Selling
 (c) Advertising
 (d) Public Relations
- 40. With which element is exchange mechanism related?**
 (a) Publicity
 (b) Marketing
 (c) Advertising
 (d) Branding
- 41. Karam Limited is offering a travel package for 15 destinations worldwide with a free insurance on the bookings for the month of December, 2019. Identify the feature of marketing being described in the above lines.**
 (a) Needs and wants
 (b) Creating a market offering
 (c) Customer value
 (d) Exchange mechanism
- 42. _____ philosophy of marketing focus on intensive promotional tools.**
 (a) Production concept
 (b) Product Concept
 (c) Selling concept
 (d) Marketing Concept

- 43. Which of the following statements is incorrect?**
(a) Marketing is a social process.
(b) Focus of the marketing activities is on customer needs.
(c) Marketing is merely a post production activity.
(d) Marketing mix is a wider term than product mix.
- 44. Labelling, a component of product mix help the consumer to exercise**
(a) Right to safety
(b) Right to consumer education
(c) Right to information
(d) Right to be heard
- 45. Consumer should use ISI marked electrical appliance, is an example of**
(a) Right to safety
(b) Right to be informed
(c) Right to choose
(d) Right to be heard
- 46. Management is**
(a) An activity
(b) A process
(c) A concept
(d) All of the above
- 47. Wrong decoding is related to**
(a) Personal barrier
(b) Organisational barrier
(c) Semantic barrier
(d) None of the above
- 48. _____ is the blue print of an organisation's plan.**
(a) Policy
(b) Strategy
(c) Objective
(d) Procedure
- 49. _____ is a proof of purchase.**
(a) Warranty card
(b) Product
(c) Cash memo
(d) All of the above
- 50. Demonetisation was announced in**
(a) 8th December 2016
(b) 8th November 2018
(c) 8th October 2017
(d) 8th November 2016



Answers

PRACTICE PAPER — 8

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