

PRACTICE PAPER

1

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions:

- (i) The examination will consist of **Objective type with Multiple Choice Questions (MCQs)**.
- (ii) There are a total of **50** questions in this paper, out of which **40** questions are to be attempted.
- (iii) Each question carries **five** marks.
- (iv) There is a **negative** marking of **one** mark for every **incorrect answer**.

Choose the correct option in the following questions.

1. "Management has to see that tasks are completed and goals are achieved with the least amount of resources at a minimum cost." Identify the two related concepts of management.
 - (a) Coordination and efficiency
 - (b) Efficiency and effectiveness
 - (c) Planning and effectiveness
 - (d) Management and administration
2. Successful organisations do not achieve their goals by chance but by following a deliberate process called:
 - (a) Effectiveness
 - (b) Efficiency
 - (c) Coordination
 - (d) Management
3. Ashutosh Goenka was working in 'Axe Ltd', a company manufacturing air purifiers. He found that the profits had started declining from the last six months. Profit has an implication for the survival of the firm, so he analysed the business environment to find out the reasons for this decline.
Identify the level of management at which Ashutosh Goenka was working.
 - (a) Top level
 - (b) Middle level
 - (c) Supervisory level
 - (d) Administrative level
4. It establishes Reporting Relationship
 - (a) Planning
 - (b) Organising
 - (c) Staffing
 - (d) Directing
5. The technique of Scientific Management given by Taylor, which aims to establish interchangeability of manufactured parts and products is _____.
 - (a) Method Study
 - (b) Motion study
 - (c) Standardization
 - (d) Differential Piece wage system
6. "Panchayats in our country have been given more powers to decide and spend funds granted to them by the government for welfare of villages". Identify the principle of management highlighted in the statement:
 - (a) Equity
 - (b) Centralisation and decentralisation
 - (c) Authority and responsibility
 - (d) Esprit De Corps

7. A worker directly contacts the CEO of the company with a complaint regarding working conditions in the factory. Which of the following principles is being violated here?
- (a) Unity of Command (b) Discipline
(c) Scalar Chain (d) Unity of Direction
8. A Manager increased the production target from 500 units to 700 units per month but the authority to draw raw material was not given by him. The employees were not able to meet the new target. Which principle has been violated here?
- (a) Principle of Discipline (b) Initiative
(c) Responsibility and Authority (d) Absolute Accountability
9. Match the following.

Column A	Column B
(A) Stock Market indicates	(i) Political environment
(B) Customs and traditions	(ii) Technological environment
(C) New techniques of operating business	(iii) Social environment
(D) General stability and peace in the country	(iii) Economic environment

Find the correct option.

- (a) A (iv), B (iii), C (i), D (ii) (b) A (ii), B, (iii), C (iv), D (i)
(c) A (iii), B (iv), C (ii), D (i) (d) A (iv), B (iii), C (ii), D (i)
10. Aiming to revive Jammu and Kashmir's attraction as a top location for film shooting, the J&K film policy, 2021 offers a host of incentives to the filmmakers, such as subsidies and low long term interest rates, for films with patriotic and certain other themes shot in J&K, for giving work opportunities to local artistes, etc. This will have an impact on business enterprises in the state. Which component of business environment is highlighted above?
- (a) Specific and general forces (b) Technological environment
(c) Economic environment (d) Totality of external forces
11. Introduction of mobile phones have negatively effected the business of cameras and watches it is related to:
- (a) Social Environment (b) Economic Environment
(c) Technological Environment (d) Political Environment
12. **Assertion (A):** Planning is futuristic.
Reason (R): Planning is concerned with the future which is certain and does not require forecast.
- (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)
13. 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
14. "Changes or events cannot be eliminated but they can be anticipated and managerial responses to them can be developed." is suggested by the following importance of planning:
- (a) Planning facilitates decision making (b) Planning promotes innovative ideas
(c) Planning provides direction (d) Planning reduces the risks of uncertainty
15. Which of the following is not a part of organising process?
- (a) Division of work (b) Assignment of responsibilities
(c) Specialisation (d) Establishing reporting relationship

16. Grouping the activities on the basis of product line is a part of
 - (a) Functional structure
 - (b) Divisional structure
 - (c) Formal organisation
 - (d) Informal organisation
17. A Tall structure has
 - (a) A narrow span of management
 - (b) No span
 - (c) Informal organisation
 - (d) Wide span of management
18. Ram was given a task by his superior to prepare a plan in 15 days. He asked two of his subordinates to work upon two aspects of his task, one of the subordinates met with an accident and could not complete his work. Who is answerable for this task?
 - (a) Ram is accountable.
 - (b) Ram's superior is accountable.
 - (c) Ram's subordinate is accountable.
 - (d) None of them is accountable.
19. Evenly distribution of authority at every level leads to
 - (a) Delegation
 - (b) Decentralisation
 - (c) Informal Organisation
 - (d) Formal Organisation
20. An analysis that enables an assessment of number of humans required in the organisation is
 - (a) Development
 - (b) Promotion
 - (c) Workload analysis
 - (d) Workforce analysis
21. 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
22. Trainee works under the guidance of Master Worker under which method of training?
 - (a) Apprenticeship Programme
 - (b) Vestibule school
 - (c) Internship
 - (d) Induction Training
23. To find out the potential of learning new job in the candidate, which of the following tests is conducted?
 - (a) Intelligence Test
 - (b) Aptitude Test
 - (c) Trade Test
 - (d) Personality Test
24. The function of management which initiates action is:
 - (a) Planning
 - (b) Organising
 - (c) Staffing
 - (d) Directing
25. Which style of leadership does not believe in use of power, unless it is absolutely essential?
 - (a) Autocratic Leadership
 - (b) Democratic Leadership
 - (c) Laissez Faire Leadership
 - (d) None of the above
26. Ram informed about the new recruitment policy of HR dept. to Mohan during the birthday party of his son. This is
 - (a) Formal Communication
 - (b) Informal Communication
 - (c) Both (a) and (b)
 - (d) None of the above
27. Motivators can be
 - (a) Positive only
 - (b) Negative only
 - (c) Positive as well as negative
 - (d) None of the above
28. Giving a special rank, position, or authority to employees is part of
 - (a) Monetary Incentive
 - (b) Non-monetary Incentive
 - (c) Profit sharing
 - (d) Co-partnership
29. Rakesh is a senior manager in a software consultancy firm. He regularly prepares performance reports of his subordinates as part of appraisal. The step of controlling process is
 - (a) Measuring of performance
 - (b) Compare performance against standard
 - (c) Analysing deviation
 - (d) Taking corrective action

- 30. With the help of controlling function, the management can know not only about the deficiency in the performance but it also helps management to know whether standards or plans are set correctly or not. The importance of management discussed above is:**
- (a) Ensuring order and discipline (b) Facilitating coordination in action
(c) Judging accuracy of standard (d) Making efficient use of resources
- 31. When mismatch between plan and actual performance is due to over or under stating of plan, then it is called**
- (a) Strategic Control (b) Operational Control
(c) Both (a) and (b) (d) None of the above
- 32. The decision in financial management which determines the proportion between debt and equity is called**
- (a) Financing decision (b) Investment decision
(c) Capital structure (d) Dividend decision
- 33. Higher dividend per share is associated with**
- (a) Higher earnings high cash flows, unstable earnings and higher growth opportunities.
(b) High earning high cash flow, stable earnings and high growth opportunity.
(c) High earnings low cash flow, stable earnings, higher growth opportunities.
(d) High earnings, high cash flow, stable earnings, lower growth opportunities.
- 34. Longer the operating and production cycle _____ is the requirement of working capital.**
- (a) More (b) Less
(c) No effect of operating cycle on working capital (d) None of the above
- 35. Customers of different banks can use same ATM machine for withdrawal of money. This is related to which factor of fixed capital requirement?**
- (a) Diversification (b) Growth Prospects
(c) Availability of finance (d) Level of collaboration/Joint Venture and Leasing
- 36. The concept which makes sure the availability of right amount of finance at the right time is called**
- (a) Financial Planning (b) Capital Structure
(c) Working Capital (d) Fixed Capital
- 37. Commercial paper is a short term unsecured promissory note having a maturity period of**
- (a) 91 days to one year (b) 15 days to one year
(c) one day to 15 days (d) one year
- 38. 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.
- 39. Primary and secondary markets**
- (a) Compete with each other (b) Compliment each other
(c) Function independently (d) Control each other
- 40. Amaira's grandmother in her will gave shares worth ₹50 lac in her name, when she opened the bank locker to get the share certificates, she found all were in very bad shape, half torn etc. To overcome this problem financial market has started a new concept called:**
- (a) Dematerialisation (b) Demutualisation
(c) Both (a) and (b) (d) None of the above

- 41. Persuading buyer to purchase the product is**
 (a) Production concept (b) Product concept
 (c) Selling concept (d) Marketing concept
- 42. The spoken part of Brand is known as**
 (a) Brand (b) Brand name
 (c) Brandmark (d) Trademark
- 43. The communication tool which can help in improving the image of the company is**
 (a) Advertisement (b) Personal Selling
 (c) Sales Promotion (d) Public Relation
- 44. The product reaches the customer at the right time, in the right quantity and at the right place by using the following element of marketing mix.**
 (a) Product mix (b) Price mix
 (c) Promotion mix (d) Place mix
- 45. What can be marketed?**
 (a) Any physical object with a definite shape (b) Any object which creates value to customers
 (c) Any physical object that has a selling price (d) Any physical object that can be tested
- 46. Which of the following is the right marketing mix for a Television Set?**
 (a) Price, Place, Promotion, Process (b) Product, Price, Promotion, Process
 (c) Product, Price, Place, Process (d) Product, Promotion, Price, Place
- 47. 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
- 48. The consumer must be assured whenever possible access to a variety of goods and services at competitive prices.**
 (a) Right to Consumer Protection Act (b) Right to choose
 (c) Right to safety (d) Right to be heard
- 49. Informing consumer about their rights is part of**
 (a) Right to Safety (b) Right to Information
 (c) Right to Consumer Education (d) Right to be Heard
- 50. While purchasing gold jewellery which mark one should look for?**
 (a) Hall mark (b) ECO mark
 (c) ISI mark (d) All of the above



Answers

PRACTICE PAPER – 1

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