

Time allowed: 45 minutes

Maximum Marks: 200

*General Instructions: Same as Practice Paper-1.*

*Choose the correct option in the following questions.*

1. Which concept acts as binding force of all the departments?  
(a) Organising (b) Management  
(c) Planning (d) Coordination
2. Radhika is engaged in manufacturing earthen coolers by using environmental friendly methods of productions. Which management objective is discussed?  
(a) Social objective (b) Organisational objective  
(c) Personal objective (d) None of the above
3. Management always works by keeping an end result or aim of the organisation. All activities of managers are directing towards the end result. It is related to which feature of management?  
(a) Management is multidimensional. (b) Management is continuous.  
(c) Management is intangible. (d) Management is a goal oriented process.
4. Management is always denoted by 'We' and not by 'I' because  
(a) It is a process. (b) It is continuous.  
(c) It is a group activity. (d) It is intangible.
5. Management Principles provide  
(a) readymade solutions to managerial problems.  
(b) guidelines for managerial action.  
(c) both (a) and (b)  
(d) none of the above
6. It helps in avoiding overlapping of activities.  
(a) Principle of unity of command  
(b) Principle of unity of direction  
(c) Principle of equity  
(d) Principle of discipline
7. Sharing of gain is related to which scientific Principle of Management?  
(a) Harmony not Discord  
(b) Cooperation not individualism  
(c) Development of workers to their greatest efficiency  
(d) Science not Rule of Thumb

8. Rest intervals in job are decided by
  - (a) Method Study
  - (b) Fatigue Study
  - (c) Motion Study
  - (d) Time Study
9. The environment scanning helps to identify
  - (a) Opportunities
  - (b) Threats
  - (c) Both (a) and (b)
  - (d) None of the above
10. Business environment includes
  - (a) Surroundings of Business.
  - (b) Forces, Factors, Institutions which directly or indirectly affect business.
  - (c) Customers and Employees.
  - (d) None of the above
11. Facebook, Twitter and Whatsapp is the result of \_\_\_\_\_.
  - (a) Political Environment
  - (b) Economic Environment
  - (c) Social Environment
  - (d) Technological Environment
12. Due to planning, changes in Business environment do not come as shock and surprise. This is related to which importance of planning?
  - (a) Planning facilitates decision making.
  - (b) Planning promotes innovative idea.
  - (c) Planning reduces the risk of uncertainties.
  - (d) Planning provides direction.
13. After implementation of plan
  - (a) Planning ends
  - (b) New plan is made
  - (c) Follow up is done
  - (d) None of the above
14. Planning requires logical and systematic thinking rather than guess work. The feature of planning being referred to in the above statement is:
  - (a) Planning is a continuous process
  - (b) Planning is futuristic
  - (c) Planning is pervasive
  - (d) Planning is a mental exercise
15. Organisations having plans of expansion and diversification must adapt
  - (a) Functional Structure
  - (b) Divisional Structure
  - (c) Both (a) and (b)
  - (d) None of the above
16. Evenly distribution of authority at every level leads to
  - (a) Delegation
  - (b) Decentralisation
  - (c) Informal Organisation
  - (d) Formal Organisation
17. Grouping of activities in accordance to their nature
  - (a) Division of work
  - (b) Departmentalisation
  - (c) Specialisation
  - (d) Decentralisation
18. Arrange the following steps in the process of organising in the correct sequence:
  - (i) Assignment of duties
  - (ii) Departmentalisation
  - (iii) Identification and division of work
  - (iv) Establishing reporting relationship

Choose the correct option:

  - (a) (i); (ii); (iv); (iii)
  - (b) (iii); (ii); (i); (iv)
  - (c) (iii); (ii); (iv); (i)
  - (d) (i); (iii); (i); (iv)
19. In Decentralisation, we have sharing of authority and responsibility at
  - (a) Two levels
  - (b) Multiple levels

- (c) Department wise (d) None of the above
- 20. 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
- 21. Staffing is a part of**  
 (a) Marketing management (b) Financial management  
 (c) Human Resource management (d) None of the above
- 22. The suitable method of External Recruitment for getting unskilled labourer is**  
 (a) Recommendations from present employees (b) Employment exchange  
 (c) Advertisement (d) Labour contractors
- 23. Payment of salary/wage to the employees according to the piece work**  
 (a) Time-based plan (b) Performance-based plan  
 (c) Insertion-based plan (d) Compensation
- 24. Directing**  
 (a) Is a primary function of management. (b) Initiates action.  
 (c) Recruits and Selects employees. (d) Identifies and groups the activities.
- 25. To build up the morale of employees and to develop interest in the job, manager uses the following element of directing.**  
 (a) Supervision (b) Leadership  
 (c) Motivation (d) Communication
- 26. Informal organisation and informal communication tries to fulfil**  
 (a) Physiological need (b) Social need  
 (c) Safety and security need (d) Self-actualisation need
- 27. Directing takes place wherever superior-subordinate relations exist. Identify the characteristic highlighted in the above statement.**  
 (a) Directing is a continuous process. (b) Directing flows from top to bottom.  
 (c) Directing takes place at every level. (d) Directing initiates action.
- 28. According to Maslow, how many level of needs are there in every human being?**  
 (a) 3 (b) 5 (c) 4 (d) 6
- 29. Controlling is performed at**  
 (a) Top level (b) Middle level  
 (c) Supervisory level (d) All 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. Controlling function brings back the management cycle to which function?**  
 (a) Directing (b) Planning  
 (c) Organizing (d) Staffing
- 32. Financial planning is**  
 (a) Same as Financial management (b) Part of Financial management  
 (c) Same as Financing decision (d) None of the above
- 33. The main objective of financial management is**  
 (a) Profit Maximisation (b) Wealth Maximisation  
 (c) Ensuring availability of finance (d) None of the above

- 34. The decision related to acquiring funds from debt or equity is called**  
 (a) Investment decision (b) Financing decision  
 (c) Dividend decision (d) All of the above
- 35. If return on investment is less than the rate of interest, then company must prefer**  
 (a) Equity (b) Debt  
 (c) Both (a) and (b) (d) None of the above
- 36. What is related to debt?**  
 (a) Higher cost higher risk (b) Lower cost higher risk  
 (c) High cost low risk (d) Low cost low risk
- 37. Primary and secondary markets**  
 (a) Compete with each other (b) Complement each other  
 (c) Function independently (d) Control each other
- 38. The settlement cycle in NSE is**  
 (a) T + 5 (b) T + 3  
 (c) T + 2 (d) T + 1
- 39. Treasury Bills are basically**  
 (a) An instrument to borrow short term funds  
 (b) An instrument to borrow long term funds  
 (c) An instrument of capital market  
 (d) None of the above
- 40. The duration of money market instruments is**  
 (a) Upto one year (b) Upto three years  
 (c) Upto five years (d) Upto ten years
- 41. Pricing objectives does not include**  
 (a) Market share leadership (b) Surviving in competitive market  
 (c) Cost of production (d) To deliver goods to rural area
- 42. "You don't close a sale, you open a relationship, if you want to build a long term successful enterprise". Identify the promotion tool referred in this line.**  
 (a) Advertisement (b) Personal selling  
 (c) Sales Promotion (d) Public Relation
- 43. Quality and performance of the product is the main focus of which marketing management philosophies?**  
 (a) Selling Concept (b) Marketing Concept  
 (c) Production concept (d) Product concept
- 44. To reach the mass customer in non personnel manner, the following element of promotion mix is used:**  
 (a) Advertisement (b) Sales Promotion  
 (c) Personal Selling (d) Public Relation
- 45. To regain the lost reputation and to build goodwill, firm uses**  
 (a) Advertisement (b) Sales Promotion  
 (c) Personal Selling (d) Public Relation
- 46. Product cost sets the lower limits of the price, the utility provided by the product and the intensity of demand of the buyers sets the upper limit. So, in case of inelastic demand, total revenue \_\_\_\_\_ when price increases.**  
 (a) Rises (b) Falls  
 (c) Constant (d) Both (a) and (b)

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- 47. If the value of goods or services is more than ₹ 1 crore but less than ₹ 10 crore, then consumer can file case in**
- |                         |                      |
|-------------------------|----------------------|
| (a) District Commission | (b) State Commission |
| (c) National Commission | (d) All of the above |
- 48. 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    |
- 49. The members of the District Commission are appointed by**
- |                        |                       |
|------------------------|-----------------------|
| (a) Central Government | (b) State Government  |
| (c) Local authority    | (d) None of the above |
- 50. As per Consumer Protection Act, the retailer or wholeseller is**
- |                      |                       |
|----------------------|-----------------------|
| (a) A consumer       | (b) Not a consumer    |
| (c) Both (a) and (b) | (d) None of the above |



# Answers

## PRACTICE PAPER – 5

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