SAMPLE PAPER 10

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. Which statement is correct regarding division of work:

(1) Intent is to produce more and better work from the same effort.

(2) Work is divided into small tasks.

(3) Trained specialists are required to perform each jobs.

(4) All the above

2. Which of the following statement is true with respect to political environment:

(1) It include the social forces like customs and traditions, values, social trends, society's expectations from business, etc.

(2) It includes forces relating to scientific improvements and innovations.

(3) It includes political conditions such as general stability and peace in the country.

(4) None of these

3. Management is ....

(1) A Science **(2)** An Art

(3) Both science and art **(4)** None of these

4. Which of the following step in the process of planning states that the manager is required to make certain assumptions about the future:

(1) Setting objectives

(2) Developing premises

(3) Evaluating alternative courses of action

(4) Implementation of plan

5. Number of ____ has been set up by the government to provide financial assistance to the entrepreneurs

(1) financial advisors

(2) financial intermediaries

(3) Industrial estates

(4) financial institutions

6. What does workforce analysis reveal?

(1) Number of human resources available.

(2) Type of human resources available.

(3) Both number and type of human resources available.

(4) None of the above.

7. Match the FUNCTIONAL AREA in Column I with their respective STANDARDS set to gauge performance in Column II, as a part of the controlling function.

	Column I	Column II
(i)	Marketing	Flow of capital
(ii)	Production	Sales-person's performance
(iii)	Human Resource Management	Labour turnover
(iv)	Finance and Accounting	Quantity

(1) (i), (iii), (iv), (ii) **(2)** (ii), (iv), (iii), (i)

(3) (iv), (ii), (i), (iii) **(4)** (iii), (i), (ii), (iv)

8. Match the CONSUMER RIGHTS as per Consumer Protection Act in Column I with the appropriate EXPLANATION in Column II.

	Column I	Column II
(i)	Right to be Protected	Wide variety of products in terms of quality, brand, prices, size, etc. should be offered to the consumer.
(ii)	Right to Choose	Protection to consumer against goods and services which are hazardous to life and health.
(iii)	Right to Seek Redressal	Consumer to get relief in case the product or service falls short of his expectations.

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

9. Which of the following marketing functions is concerned with informing the customers about the firm's products?
(1) Physical Distribution
(2) Promotion
(3) Market Planning
(4) Packaging and Labelling

10. Which of the following statements are true about 'Authority':
(1) Authority can be official authority or personal authority
(2) Authority can be formal or informal
(3) Authority should be commensurate with responsibility
(4) All the above

11. Directing takes place between who among the following:
(1) Superior-Superior
(2) Superior-Subordinate
(3) Subordinate-Subordinate
(4) All the above

12. _________ are the anticipated environments in which plans are expected to operate.
(1) Planning premises **(2)** Forecasting
(3) Objectives **(4)** None of these

13. Match the FUNCTIONAL AREA in Column I with their respective STANDARDS set to gauge performance in Column II, as a part of the controlling function.

	Column I	Column II
(i)	Marketing	Flow of capital
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(1) (i), (iii), (iv), (ii) **(2)** (ii), (iv), (iii), (i)
(3) (iv), (ii), (i), (iii) **(4)** (iii), (i), (ii), (iv)

14. Ahana buys a packet of bread from a bakery shop without collecting the bill. The bread packet does not contain any information other than the name of shop. Once she reached home and tasted the bread, she found it to be stale. Which consumer right has been violated?
(1) Right to be Informed
(2) Right to be Protected
(3) Right to Consumer Awareness
(4) Right to be Heard

15. Which aspect of staffing is concerned with upgradation of the knowledge and skills of the employees?
(1) Placement and Orientation
(2) Training and Development
(3) Selection
(4) Estimating manpower requirement

16. Match the ELEMENTS of Directing in Column I with their correct EXPLANATION in Column II

	Column I	Column II
(i)	Supervision	Process of influencing people to strive willingly for group objectives.
(ii)	Motivation	Process of stimulating people to action to accomplish desired goals of organisation.
(iii)	Leadership	Process of exchange of ideas between or among persons and create understanding.
(iv)	Communication	Process of overseeing the work.

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

17. What is raised by entrepreneurs?
(1) Thoughtful risk
(2) High risk
(3) Low risk
(4) General and fixed risk

18. Yummy Foods Ltd. has its registered office in Lucknow, manufacturing unit in Kanpur and marketing department in Chandigarh. ……………….. type of organisational structure should be adopted by the company to achieve its objectives.

(1) Functional **(2)** Divisional

(3) Both **(1)** and **(2)** **(4)** Neither **(1)** nor **(2)**

19. Which of the following statement is true:

(1) Authority is only formal

(2) Authority is only informal

(3) Authority is both formal and informal

(4) Authority is neither formal nor informal

20. Art can be acquired through which of the following:

(1) Study **(2)** Observation

(3) Experience **(4)** All the above

21. `Service sector contributes to almost half of India's GDP but employs only one-third of its workforce.'

Which of the following dimensions of Business Environment is stated in the above line:

(1) Economic **(2)** Social

(3) Political **(4)** Legal

22. Which of the following statements is false with respect to a leader?

(1) Leader provides training to his subordinates.

(2) A leader maintains personal relations and helps followers in fulfilling their needs.

(3) Leader plays a key role in introducing required changes in the organisation.

(4) None of the above

23. Which of the following is true regarding Organisational Structure :

(1) Grouping of jobs of similar nature under functional structure and organising these major functions as separate departments creates a divisional structure.

(2) Span of Management determines the levels of management in the organisation structure.

(3) Divisional structure makes training of employees easier as the focus is only on a limited range of skills.

(4) All the above

24. Which of the following Maslow's need includes factors such as self-respect, autonomy status, recognition and attention?

(1) Esteem Needs

(2) Self-Actualisation Needs

(3) Affiliation/Belonging Needs

(4) Safety/Security Needs

25. Which of the following step in the process of staffing involves the process of streamlining the attributes of a person required for doing a job:

(1) Recruitment

(2) Selection

(3) Training and Development

(4) Placement and Orientation

26. Controlling is a/an ………………. process as it ensures completion of organisational goals by monitoring the actual performance.

(1) Goal-oriented **(2)** Action-oriented

(3) Continuous **(4)** Looking backward

27. Tapan, after leaving his job, wanted to start a Private Limited Company with his son. His son was keen that the company may start manufacturing of Mobile–phones with some unique features. However, Tapan felt that the mobile phones are prone to quick obsolescence and a heavy fixed capital investment would be required regularly in this business. Therefore, he convinced his son to start a furniture business. ……………………. factor affecting fixed capital requirements is making Tapan choose furniture business over mobile phone.

(1) Scale of operations

(2) Choice of techniques

(3) Financing alternatives

(4) Technology upgradation

28. Marketing is a ……………….. process by which people interact with others in order to persuade them to act in a particular way, say to purchase a product or service rather than forcing them to do so.

(1) Physical **(2)** Social

(3) Technical **(4)** Psychological

29. The type of entrepreneurs found in the field of small trading and manufacturing concerns are known as _____

(1) Trading Entrepreneurs

(2) First generation Entrepreneurs

(3) Business Entrepreneurs

(4) Innovative Entrepreneurs

30. **Assertion (1):** Higher the flotation cost, less attractive the source.

Reason (R): The choice between the payment of dividend and retaining the earnings is, to some extent, affected by the difference in the tax treatment of dividends and capital gains.

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

(2) Both **(1)** and (R) are true, but (R) is not the correct explanation of **(1)**.

(3) **(1)** is true, but (R) is false.

(4) **(1)** is false, but (R) is true.

31. **Assertion (1):** Financial planning tries to link the present with the future.

Reason (R): Financial planning is essentially the preparation of a financial blueprint of an organisation's future operations.

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

(2) Both **(1)** and (R) are true, but (R) is not the correct explanation of **(1)**.

(3) **(1)** is true, but (R) is false.

(4) **(1)** is false, but (R) is true.

32. **Which of the following is an advantage of functional structure :**

(1) Leads to occupational specialisation.

(2) Promotes control and coordination within a department.

(3) Helps in increasing managerial and operational efficiency.

(4) All of the above.

33. Nature of .... is said to be a systematic body of knowledge which explains certain general truths.

(1) Management as a Science

(2) Management as an Art

(3) Management as a Profession

(4) All the above

34. To see whether plans are being implemented and activities are being performed according to the schedule, is a step of planning process. Identify the step.

(1) Selecting the best alternative

(2) Implementing the plan

(3) Follow up action

(4) Evaluating alternative courses of action

35. Which of the following statement is true regarding marketing?

(1) It is a process whereby people exchange goods and services for money.

(2) It has been referred to as performance of business activities that direct the flow of goods and services from producers to consumers.

(3) It includes many activities that are performed even before goods are actually produced and continue even after the goods have been sold.

(4) All of the above

36. Which of the following is not an importance of controlling function?

(1) It ensures order and discipline.

(2) It restricts co-ordination in action.

(3) It helps in judging accuracy of standards.

(4) It improves employee motivation.

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(4) All of the above

38. The Consumer Protection Act, 2019 has replaced which Act?

(1) The Consumer Protection Act, 1982

(2) The Consumer Protection Act, 1984

(3) The Consumer Protection Act, 1986

(4) The Consumer Protection Act, 1988

39. Bright Bulbs Pvt. Ltd., is manufacturing good quality LED bulbs and catering to the local market. The current production of the company is 1,000 bulbs a day. Anita, the marketing manager of the company, surveyed the market and decided to supply the bulbs to five-star-hotels also. She anticipated the higher demand in future and decided to buy a sophisticated machine to further improve the quality and quantity of the bulbs produced. Which factor affected the fixed capital requirements of the company?

(1) Scale of Operations

(2) Growth Prospects

(3) Diversification

(4) Choice of Techniques

40. Hero Motor Corporation and Hyundai Corporation have _____ type of entrepreneurs

(1) Trading Entrepreneurs

(2) First generation Entrepreneurs

(3) Business Entrepreneurs

(4) Industrial Entrepreneurs

41. Which of the following steps in the process of staffing involves the process of searching for prospective employees and stimulating them to apply for respective jobs in the organization:

(1) Recruitment

(2) Selection

(3) Training and Development

(4) Placement and Orientation

42. Which of the following gives shape to the organisation structure :

(1) Extent of delegation

(2) Employee strength

(3) Span of management

(4) None of the above

43. ……………….. step in the process of planning is considered as the 'real point of decision making'.

(1) Setting objectives

(2) Selecting an alternative

(3) Implementation of plan

(4) Developing premises

44. Which dimension of Business Environment is described by the following statement:

'Ban on cigarette advertisements.'

(1) Social Environment

(2) Legal Environment

(3) Technological Environment

(4) Political Environment

45. ……………….. principle of management is being violated if management does not fulfill its promise to increase wages of the workers after the mission is accomplished.

(1) Order (2) Equity

(3) Discipline (4) Initiative

46. A good manager works through a combination of which of the following:

(1) Practice and Hard work

(2) Creativity and imagination

(3) Initiative and innovation

(4) All the above

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

ISQAA SOLAR Limited is searching for options to raise ₹ 20,000 crores from the primary market for diversification and modernisation of existing projects. It hired the services of a renowned financial consultancy firm, DHAN LAXMI PVT. LTD. to suggest options for the same. DHAN LAXMI PVT. LTD. suggested a list of options to the Board of Directors of the company. It was decided that for the immediate requirement of ₹ 1,500 crores, the company will give a privilege to existing shareholders to subscribe to a new issue of shares according to the terms and conditions of the company. ₹ 4,500 crores would be raised by allotment of securities to a consortium of financial institutions, instead of inviting subscription from the public by making a direct appeal to investors to raise capital. It was further decided to raise capital to the tune of ₹ 6,000 crores through an issuing house. All these options were accepted by the Board of Directors. The Board further decided to raise ₹ 8,000 crores through the online system of the stock exchange by entering into an agreement with the exchange.

47. Identify the method of floatation of new issues in the primary market, not taken up by ISQAA SOLAR LTD. :

(1) Offer for sale

(2) Rights issue

(3) E-IPO

(4) Offer through prospectus

48. "₹ 4,500 crores would be raised by allotment of securities to a consortium of financial institutions, instead of inviting subscription from the public by making a direct appeal to investors to raise capital." Identify the method of floatation of new issues in the primary market being discussed above, which the company has decided to use:

(1) Offer for sale

(2) Private placement

(3) Right issue

(4) Offer through prospectus

49. Identify the reason which has made the firm raise funds from the institutional investors :

(1) It helps to raise funds quickly.

(2) It is not expensive.

(3) Both **(1)** and **(2)**.

(4) None of the above.

50. How much money was raised by the company through E-IPO's ?

(1) ₹ 8,000 crores (2) ₹ 4,500 crores

(3) ₹ 20,000 crores (4) ₹ 6,000 crores

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SOLUTIONS

s **1.** **Option (2) is correct.**

Explanation: Division of work refers to the separation of task or duties and is assigned to the employees separately or in groups which automatically leads to specialization.

2. **Option (3) is correct.**

Explanation: Political environment includes the legislations and law approved by the ruling party and the government. It is generally related to the political conditions prevailing in a country.

3. **Option (3) is correct.**

Explanation: Management is a science, an art and a profession.

4. **Option (2) is correct.**

Explanation: Developing premises refers to the setting of assumptions based on past experiences.

5. **Option (4) is correct.**

6. **Option (3) is correct.**

Explanation: Workforce analysis reveal about the number and type of employees working in an organisation. It is used to collect, analyse and interpret date to assess current status of the workplace.

7. **Option (2) is correct.**

8. **Option (3) is correct.**

9. **Option (2) is correct.**

Explanation: Promotion refers to informing the target audiences of the relative merits of a product, service, brand or issue.

10. **Option (4) is correct.**

11. **Option (2) is correct.**

Explanation: Directing refers to the guidance, motivation given by a superior to its subordinate.

12. **Option (1) is correct.**

Explanation: Premises are the base upon which plan are drawn such as existing plans or past information.

13. **Option (4) is correct.**

14. **Option (1) is correct.**

Explanation: The customer should have all the details of the product or service provided to them. It includes the quality, quantity and other specifications of the product.

15. **Option (2) is correct.**

Explanation: Training and development leads to the enhancement of the creativity, skill and ability of an employee to perform the provided task.

16. **Option (3) is correct.**

17. **Option (4) is correct.**

18. **Option (1) is correct.**

Explanation: When a company deals in one product the functional structure is most suitable for it.

19. **Option (3) is correct.**

20. **Option (4) is correct.**

Explanation: Art can be acquired through practice study and observation.

21. **Option (1) is correct.**

Explanation: Economic environment include all economic factors which affect the performance of a business. The factors can be macro and micro and is totally out of the control of the company.

22. **Option (4) is correct.**

Explanation: A leader maintains personal relations and helps followers in fulfilling their needs. He provides needed confidence, support and encouragement and thereby creates congenial work environment. Leader plays a key role in introducing required changes in the organisation. He persuades, clarifies and inspires people to accept changes whole-heartedly.

23. **Option (2) is correct.**

24. **Option (1) is correct.**

25. **Option (3) is correct.**

Explanation: Recruitment in the process of securing out, finding and hiring candidates for a specific position.

26. **Option (1) is correct.**

Explanation: Controlling ensures that an organisation resources are being used effectively and efficiently for the achievement or predetermined objectives.

27. Option (4) is correct.

Explanation: Industries in which technology up-gradation is fast need more amount of fixed capital as when new technology is invented old machines become obsolete and they need to buy new plants and machinery whereas companies where technological up-gradation is slow they require less fixed capital as they can manage with old machines.

28. Option (2) is correct.

Explanation: Management is a social process as it is concerned with relation among the people. In management the efforts of human beings (employees) have to be directed, coordinated and neglected by manage.

29. Option (3) is correct.

30. Option (2) is correct.

Explanation: If the floatation cost is high, it will be more expensive for the company to raise funds, because the company ends up spending much higher money than it would if floatation cost less.

31. Option (1) is correct.

Explanation: Financial planning means deciding in advance how much to spend and on what to spend according to the funds at your disposal. It enables the management to foresee the funds requirements both the quantum as well as the timing.

32. Option (4) is correct.

Explanation: Functional structure leads to occupational specialisation as emphasis is placed on specific functions. It promotes control and coordination and efficiency of manpower as employees is improved.

33. Option (1) is correct.

34. Option (3) is correct.

Explanation: When the activities are carved out in an orgnisation, the activities are being followed up in between from time to time to analyse whether the activities are performed according to the predetermined standards.

35. Option (4) is correct.

36. Option (2) is correct.

Explanation: Controlling promotes coordination by basically demarcating all activities and efforts into fixed boundaries. It bring are the resources together and enables its employees to work together with unified efforts.

37. Option (4) is correct.

38. Option (3) is correct.

Explanation: The consumer protection Act, 1986 is repealed after three decades and replaced by the consumer protection Act, 2019.

39. Option (2) is correct.

Explanation: Companies which are expanding and have higher growth plan require more fixed capital as to expand they need to expand their production capacity and to expand production capacity companies need more plant and machinery so more fixed capital.

40. Option (4) is correct.

41. Option (1) is correct.

42. Option (3) is correct.

43. Option (2) is correct.

44. Option (2) is correct.

Explanation: Legal environment includes the laws passed by the government as well as the decisions rendered by the various commissions and agencies at every level of the government.

45. Option (3) is correct.

46. Option (1) is correct.

47. Option (4) is correct.

Explanation: Offer through prospectus involves inviting subscription from the public through issue of prospectus.

48. Option (2) is correct.

Explanation: Private placement is the allotment of securities by a company to institutional investors and some selected individuals. It helps to raise capital more quickly than a public issue.

49. Option (3) is correct.

50. Option (1) is correct.

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