

SAMPLE PAPER 9

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.
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1. Gang plank is a term associated with which principle of Fayol.
(1) Equity (2) Order
(3) Scalar Chain (4) Initiative
2. Which of the following statements is true for management as a science:
(1) Existence of theoretical knowledge
(2) Based on practice and creativity
(3) Principles based on experimentation
(4) Professional association
3. Which of the following is true with respect to the step 'developing premises' under the planning process:
(1) Base material for assumptions can be in the form of forecasts, existing plans or any past information about policies.
(2) Only a few managers are required to be familiar with and use the same assumptions.
(3) Assumptions need not necessarily be same for all.
(4) All the above
4. An IT company currently employing 5,000 people, plans to expand its business through diversification. It aims to become a global leader. To achieve this goal, it has started shifting to a decentralised management system from a centralized one. Thus, function of management is being performed by the company to become a decentralised company.
(1) Directing (2) Staffing
(3) Organising (4) Planning
5. Which of the following is not the element of Directing?
(1) Delegation (2) Leadership
(3) Motivation (4) Communication
6. Unemployment can be described as ____
(1) The number of people who voluntarily choose not to work.
(2) The number of people who are jobless and are actively seeking work.
(3) The number of people who are not actively seeking work.
(4) The number of people actively seeking work who find work.
7. Zakira Ltd. wants to invest in treasury bills issued by RBI. What will be the minimum amount to be invested in Treasury Bill?
(1) ₹ 25,000 (2) ₹ 20,000
(3) ₹ 50,000 (4) ₹ 1,00,000
8. Which of the following statement is false regarding financial management?
(1) Aims at ensuring availability of enough funds whenever required.
(2) Aims at reducing the cost of funds procured.
(3) Is concerned with optimal procurement as well as usage of finance.
(4) Facilitates price discovery for securities of company.
9. Samaira went to a free eye-camp and got her eye treatment done for 'glaucoma'. But the treatment has resulted in consistent pain and discomfort in her eyes forcing her to seek further medical attention. Samaira can file a complaint with under Consumer Protection Act.
(1) District Commission
(2) State Commission

- (3) National Commission
(4) None of above

10. In order to get feedback about its recently launched immunity-boosting ayurvedic medicine, Atulya Limited conducted an online survey using a questionnaire, to gather customer views and opinions. Identify the marketing function being used by Atulya Limited:

- (1) Standardisation
(2) Product Designing
(3) Customer support service
(4) Gathering and analysing market information

11. A company wants to replace manual production technique with mechanised techniques. Labour unions are resisting this change. Which function of management will help in the introduction of this change :

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

12. The foremost objective of financial management is:

- (1) Maximisation of market share
(2) Maximisation of shareholders' wealth
(3) Maintenance of liquidity
(4) Profit maximisation

13. _____ is short-term finance repayable on demand, with a maturity period of one day to fifteen days.

- (1) Call Money (2) Treasury Bill
(3) Commercial Paper (4) Commercial Bill

14. In a cotton textile mill, various tasks viz. Spinning, weaving, sizing, bleaching, etc. Were divided to different groups of persons. Identify the principle of management stated here:

- (1) Unity of command
(2) Division of work
(3) Stability of personnel
(4) Unity of direction

15. Match the STEPS of Planning process in Column I with the appropriate SEQUENCE in Column II.

	Column I	Column II
(i)	Setting Objectives	Fourth step
(ii)	Implementing the plan	First step
(iii)	Evaluating alternative courses	Sixth step

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

16. _____ refers to producing goods of predetermined specifications, which helps in achieving uniformity and consistency in the output.

- (1) Standardisation (2) Packaging
(3) Labelling (4) Grading

17. _____ can motivate the entrepreneurs at its best.

- (1) money (2) personal values
(3) pull influences (4) All the above

18. Which of the following statements is true with respect to internal source of recruitment?

- (1) Simplifies the process of selection and placement.
(2) Employees are motivated to improve their performance.
(3) This is a more reliable way of recruitment.
(4) All of the above

19. Which of the following statements is true about Directing :

- (1) Directing is necessary at planning stage.
(2) Directing is needed at every level of management in each department.
(3) Directing is initiated at lower level of management.
(4) Directing is the least important function of management.

20. 'The current government initiated Make in India Programme which is good for the manufacturing sector.'

Out of the following, identify the component of Business Environment quoted in the above lines:

- (1) Economic (2) Political
(3) Legal (4) Technological

21. "Anyone can be called a manager irrespective of the educational qualification possessed." Identify the characteristic of the profession that Management does not fulfill in the statement being discussed above:

- (1) Ethical Code of Conduct
(2) Professional Association
(3) Restricted Entry
(4) Service Motive

22. Which type of plan is time bound and linked with measurable outcomes?

- (1) Objective (2) Budget
(3) Both (1) and (2) (4) None of the above

23. Which of the following is true regarding Transfers?

- (1) Involves shifting of an employee from one job to another.
(2) Involves shifting of an employee from one department to another or from one shift to another.
(3) There is no substantive change in the responsibilities and status of the employee.
(4) All of the above

24. The money market is a market for short-term funds which deals in monetary assets whose period of maturity is:

- (1) Upto one year (2) Upto six months
(3) Upto three months (4) None of these

25. For optimal procurement of funds, a finance manager identifies different available sources

and compares those items in terms of cost and associated risks. Identify concept highlighted in the above lines.

- (1) Financial management
- (2) Financial decisions
- (3) Working capital
- (4) None of these

26. A consumer has which of the following?

- (1) Only rights
- (2) Only responsibilities
- (3) Either rights or responsibilities
- (4) Both rights and responsibilities

27. Which of the following are considered as the pillars of marketing?

- (1) Packaging (2) Labelling
- (3) Both (1) and (2) (4) None of these

28. Directing is broadly grouped into how many categories which are known as the elements of directing?

- (1) Two (2) Three
- (3) Four (4) Five

29. Which of the following is not related to 'Organising as a Process' :

- (1) Initiates implementation of plans.
- (2) Provides framework for performing managerial and operating tasks.
- (3) Clarifies jobs and working relationship.
- (4) Effectively deploys resources.

30. Which of the following functions of management helps in building customer's loyalty and in promoting its sale?

- (1) Promotion (2) Branding
- (3) Pricing of Products (4) Grading

31. **Assertion (A):** Changes in fashions and tastes of consumers may shift demand in the market from existing products to new ones.

Reason (R): Business environment is dynamic, i.e., it keeps on changing in consumer preferences.

- (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 (1).
- (3) (A) is true, but (R) is false.
- (4) (A) is false, but (R) is true.

32. **Assertion (A):** The business environment helps in understanding the threats which are likely to happen in the future.

Reason (R): Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.

- (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. Fayol's book was published in English as 'General and Industrial Management' in :

- (1) 1949 (2) 1947
- (3) 1918 (4) 1933

34. 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

35. "Increase in the use of mobile phones and i-pods instead of papers and radio" refers to an example of key component of general environment of business. Identify the component of business environment.

- (1) Technological (2) Political
- (3) Legal (4) Economic

36. Which of the following money market instruments is also known as Zero Coupon Bonds?

- (1) Call Money (2) Treasury Bill
- (3) Commercial Paper (4) Commercial Bill

37. Which of the following is incorrect regarding the functions performed by consumer organizations?

- (1) They carry out comparative testing of consumer products.
- (2) They do not provide legal assistance to the consumers.
- (3) They file complaints in appropriate consumer courts on behalf of the consumers.
- (4) None of the above

38. Which of the following statement is true about the organizing function of management:

- (1) Departmentalisation is the first step in the process of organising.
- (2) Organising discourages creativity amongst the managers.
- (3) Organising allows a business enterprise to accommodate changes in the business environment.
- (4) All the above

39. _____ is the reason for business failure

- (1) Lack of market research.
- (2) Poor financial control.
- (3) Poor management.
- (4) All the above.

40. Which of the financial decisions is about the quantum of finance to be raised from various long-term sources?

- (1) Investment (2) Dividend
(3) Financing (4) None of these

41. Match the REDRESSAL AGENCY as per Consumer Protection Act in Column I with the COMPENSATION CLAIMED in Column II.

	Column I	Column II
(i)	District Commission	Exceeds ₹ 2 crore
(ii)	National Commission	Exceeds ₹ 50 lakh but does not exceed ₹ 2 crore.
(iii)	State Commission	Does not exceed ₹ 50 lakh

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

42. Which of the following internal sources of recruitment involves shifting of an employee from one job to another, one department to another?

- (1) Transfer (2) Promotion
(3) Both (1) and (2) (4) None of the above

43. In order to make the 'Annual Day' of the school a successful event, the Headmistress of the school segregated all the activities into task groups each one dealing with a specific area. For instance, decorations, refreshments, backstage support, etc. Each group was put under the charge of one teacher. Identify the function of management performed by the Headmistress by dividing the activities and assigning the duties?

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

44. A company needs a detailed plan for its new project, 'Construction of retail shops across the city'. type of plan should it prepare?

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

45. Which of the following principles of management by Fayol states that there should be one and only one boss for every individual employee:

- (1) Unity of direction
(2) Order
(3) Unity of command
(4) Division of work

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

	Column I	Column II
(i)	Goal-oriented process	Management is a complex activity involving management of people, work and operations.
(ii)	Group activity	Some aims and objectives are the basic reason for existence of an organization.
(iii)	Multi-dimensional	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)

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

A critical point control (CPC) approach is followed by McDonald in the cooking and handling process so that any food safety threat can be prevented, eliminated, or reduced to an acceptable level. Hence, continuous monitoring of activities are undertaken to ensure that the process is right at each critical point control. The main principle followed for cooking at McDonald is "less amount many time" which can ensure the high quality and high fresh level of the food. For instance, if four hamburgers have to be made, a worker cannot cook all the four hamburgers at one time. The time figured out for making one hamburger is one hundred and forty-five seconds. Moreover, nearly all foods in the McDonald have the specific holding time, the holding time for hamburgers is ten minutes and for french fries is seven minutes. If it is not sold within that time it is thrown away. Also, the temperature of the milk sent by the supplier must be under 4° C, otherwise, it will be returned.

47. Which of the following steps involved in the controlling process is discussed in the above lines?

- (1) Analysing deviation
(2) Taking corrective action
(3) Both (1) and (2)
(4) Setting Performance Standards

48. Which of the following statements is true with respect to critical point control?

- (1) Control focus on key result areas (KRAs)
- (2) CCPs may be located at any point in the food production plant where hazards need to be prevented, eliminated, or reduced to acceptable levels.
- (3) It helps in saving time, and thus manager can focus on other relevant issues.
- (4) All of the above.

49. Identify the point which highlights the importance of the controlling function in the above text.

(1) Accomplishing organisational goals

(2) Making efficient use of resources

(3) Judging accuracy of standards

(4) All of the above

50. Which feature of controlling is highlighted in the above text?

(1) Control is a continuous process.

(2) Control is all pervasive.

(3) Action is the essence of control.

(4) Control is forward looking.



SOLUTIONS

1. Option (3) is correct.

Explanation: Gang plank is used in concern with the scalar chain. Scalar chain refers to the chain of authority to the lowest level in the organisation.

2. Option (3) is correct.

Explanation: Management as a science is a principle based on experimentation as scientific principles are derived from scientific investigation.

3. Option (3) is correct.

Explanation: Base material for assumptions can be in the form of forecasts, existing plans or any past information about policies

4. Option (3) is correct.

Explanation: Organising is the establishment of groups according to the work to be performed, defining and delegating the authority to wards the attainment of objective.

5. Option (1) is correct.

Explanation: Delegation is a term related to authority to another person to carry out specific activities.

6. Option (2) is correct.

7. Option (1) is correct.

8. Option (4) is correct.

9. Option (4) is correct.

10. Option (4) is correct.

Explanation: Gathering and analysing the information about the service or product supplied to the customer is being done by the company.

11. Option (4) is correct.

Explanation: Directing is a process of instructing guiding, inspiring, counselling, overseeing and leading employees towards the attainment of an organizational goal.

12. Option (2) is correct.

Explanation: the foremost objective is to maximise the shareholders fund.

13. Option (1) is correct.

Explanation: Call money is a short term finance repayable on demand having a maturity period of 1 to 15 day used for inter-bank transactions.

14. Option (2) is correct.

Explanation: Division of work refer to the separation of a work process into a number of task, each performed by a separate person or group which leads to specialization.

15. Option (1) is correct.

16. Option (3) is correct.

Explanation: Standardisation is the creation of standards to guide the creation of a good or service based on the consensus of all the relevant.

17. Option (4) is correct.

18. Option (4) is correct.

Explanation: Internal recruitment saves time and money and also motivates the employee to give their best to achieve the goal.

19. Option (2) is correct.

Explanation: Directing is required at every level of management. Every manager from top executive to supervisor has to supervise, guide and motivate its subordinate.

20. Option (2) is correct.

Explanation: Political environment includes all the laws and legislation made by the government.

21. Option (3) is correct.

Explanation: There is no specific qualification or degree required for acting as a manager. There is no restricted entry in their profession.

22. Option (3) is correct.

23. Option (4) is correct.

24. Option (1) is correct.

Explanation: The money market deals with the monetary assets of maturing of one year.

25. Option (1) is correct.

26. Option (4) is correct.

Explanation: A consumer has fundamental rights and duties towards the society consumer should insist on getting all the information about the product service before making a choice.

27. Option (4) is correct.

Explanation: Pillars of marketing product, price, place and promotion.

28. Option (4) is correct.

Explanation: Elements of Directing: Communication, Supervision motivation and leadership.

29. Option (2) is correct.

Explanation: Organizing is a process of identifying and grouping the work to be performed, defining and delegating the responsibility and authority.

30. Option (2) is correct.

Explanation: Branding is a process of creating positive perception of a company in the mind of customer.

31. Option (1) is correct.

Explanation: Business environment is dynamic, i.e., it keeps on changing whether in terms of technological improvement, shifts in consumer preferences or entry of new competition in the market.

32. Option (1) is correct.

Explanation: Environment happens to be the source of many threats. Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.

33. Option (1) is correct.

34. Option (2) is correct.

Explanation: Art requires skillful and personal application of existing knowledge in a creative manner to achieve desired goals. It can be acquired through study, experience and observation.

35. Option (1) is correct.

Explanation: Technological environment is the state of science and technology in the country. It is related to the development aspect of the technology is the company's external environment.

36. Option (2) is correct.

Explanation: Treasury bills are also known as accrual bonds, is a debt security that does not pay interest but instead trades at a deep discount.

37. Option (2) is correct.

38. Option (3) is correct.

39. Option (4) is correct.

40. Option (3) is correct.

41. Option (4) is correct.

Explanation: According to new rules NCDRC will now have jurisdiction to entertain consumer complaints where the values of goods exceeds 2 crore. District commission will have jurisdiction to entertain complaints upto ₹50 cash and state commission for more than 50 cash and upto 2 crore.

42. Option (1) is correct.

Explanation: Transfer involves shifting of an employee from one job to another, one department to another or from one shift to another, without a substantive change in the responsibilities and status of the employee.

43. Option (2) is correct.

44. Option (1) is correct.

Explanation: A programme plan is the outline of events and activities that your members follows to reach the goals of the organisation. A successful program plan provides detail and show how each activity supports organisation.

45. Option (3) is correct.

46. Option (2) is correct.

47. Option (3) is correct.

48. Option (4) is correct.

Explanation: Critical point control means keeping focus on some key areas (KRAs) and if there is any deviation in these key areas, and then it must be attended urgently. Key areas are those which have impact on whole organisation.

49. Option (4) is correct.

50. Option (1) is correct.

Explanation: Controlling is an ongoing and dynamic function of management. It involves a continuous review of performance and is not a one-time exercise. The period of control normally depends upon the nature of work, the amount of work and the policies of management.

