

INTRODUCTION TO REASONING IN THE XAT

Reasoning (verbal, logical and analytical) has always had a major role to play in the XAT examination. This is evident from the fact that reasoning/thinking questions have been a constant presence in two of the three sections of the XAT. These sections are:

- (i) Verbal Ability and Logical Reasoning
- (ii) Analytical Reasoning and Decision Making

The quality of questions that have appeared in these sections has normally been of a very high standard— requiring extreme clarity of thought and solving processes from the aspirants' side. A high proportion of the total number of questions in the XAT, that can be classified under reasoning are either of the LOD 2 or LOD 3 level of difficulty. This is in keeping with the overall trend of the XAT exam—where the quality of questions is of a very high standard.

Besides, you also need to realise that the analytical reasoning and decision making section of the XAT is one of the critical elements for cracking this examination.

The major reasoning question types that have been present in the XAT have included:

In the Verbal Ability and Logical Reasoning Section:

(i) Argument analysis:

This category of questions is largely seen in the first of the two sections mentioned above & has been an integral part of the Verbal Ability and Logical Reasoning section.

The key skills tested are:

- (a) Your ability to understand an argument;
- (b) Your ability to catch the reasoning behind the argumentation presented;
- (c) Your ability to spot assumptions made;
- (d) Your ability to identify evidence that would either strengthen or weaken the argument;
- (e) Your ability to identify logic that would support/oppose the argument being made;
- (f) Your ability to spot what is consistent and what is not consistent with respect to the argument;
- (g) Your ability to spot inferences and implications that arise out of the argument.

The section titled “Analytical Reasoning and Decision Making” has the following types of questions which you would encounter as you go through the questions from the past years' XAT papers in this portion of this book:

(i) Quantitative Reasoning & Puzzles:

These questions typically revolve around your ability to understand/grasp the quantitative logic behind a situation. In a lot of ways these questions test your ability to sense the numerical logic in situations and work out the question/s asked based on the same.

(ii) Logical Reasoning questions based on Arrangements, Constraint based selections, Team formations, Puzzles, Conditions based Reasoning puzzles, etc.:

These are the traditional Logical Reasoning questions, which involve direct and indirect clues about a few variables, which have to be matched with each other. (e.g. 5 people wear 5 different coloured shirts and work in 5 different companies, etc).

- (iii) Quantitative decision making involving most economical/profitable decisions to be made in given scenarios:

These are questions based on caselets or real life situations. The situation is described in detail (with a lot of numbers used to describe the case situation) and typically involves a lot of number crunching. What distinguishes these caselets from other decision making caselets is that the situation described as well as the question asked would depend largely on the numerical calculations involved inside the case.

Hence, your ability to sense the various quantitative factors in the given situation and how these inter-play with each other becomes a crucial element of your solving process.

For instance, a situation might be described to you where an individual has to make a choice of different possible ways to travel to and fro from his hometown to a destination—and various modes of transportation with the time involved and costs involved are given. You then would be asked to choose the most economical or the most time saving routes of travel from amongst those provided.

- (iv) Qualitative decision-making questions involving ethical/moral dilemmas and corporate and HR situations:

These are again real life situations described in a caselet form, with a real life problem vexing the protagonist of the case. You are expected to understand the moral/ethical/real life dilemma described in the situation and come up with the best possible resolution to the questions asked. In spite of these types of questions normally having a very subjective bias—it can be said that as far as the XAT is concerned, the questions they have asked and the kinds of options they have laid out there has always been one clear answer to the question. Hence, these questions can be said to be testing your clarity of thinking.

- (v) Word formation puzzles:

This question type is a typical question category that is exclusive to the XAT. In these questions, rules are provided for word formation based on certain interplay of the alphabets (like saying that in a certain language words are only 4 or 5 letters long and always start with a vowel and have at least 2 vowels in each valid word). Based on your interpretation of these rules you would need to find out what words and sentences are valid in the given language.

Answer Questions 1 to 3 on the basis of the information given in the following case.

Due to increased competition, Ginger Automobiles, the Indian subsidiary of Pepper Automobile Company (PAC) reported lower sales and profits. PAC expects its new model *Limo*, developed especially for value conscious customers of India and China, to revive its fortunes. In order to prevent customers from buying competing products, PAC announced the launch of *Limo* six months before schedule. Due to unrest in its Indian supplier's plant, deliveries of essential components for its main plant was hampered, and hence it decided to launch *Limo* in China only as per the original plan. Within a short span of time, *Limo* captured 30% market share in China, which was 200% higher than expected. Indian customers who looked forward to purchasing *Limo* were becoming increasingly unhappy due to the non-availability of *Limo* in India. Ginger's dealers were worried about loss of business from the customers who might switch to other cars.

1. **Statement I:** In the Chinese market, *Baft* and *Hebe*, are competing models in *Limo*'s target market. Due to increase in the sale of *Limo* by 200%, *Baft* and *Hebe* saw their market share decline by 10%.

Statement II: *Baft* and *Hebe* were not desired by the customers due to their new features.

Which of the following conclusions can be most justifiably made?

- (a) I alone
 - (b) II alone
 - (c) Either I or II
 - (d) Neither I nor II
 - (e) I and II together
2. Unhappy customers will not only leave the company, but also spread negative publicity about the company. The best way, among the options below, to deal with customers is:
- (a) suggest customers to wait.
 - (b) suggest customers to consider purchasing any of the other PAC's models available in showrooms, with a substantial discount along with gifts.

- (c) suggest PAC to treat Indian and Chinese markets equally.
 - (d) promise the top management of PAC higher sales/profit from Indian market compared to Chinese market.
 - (e) suggest the top management of PAC to manufacture essential components in either India or China.
3. Mr. Murugan from Chennai experienced the comfort of *Limo* during his visit to China. He was willing to deposit an approximate price of *Limo* to buy the first available unit from Mr. Ahmed, a dealer in Chennai, known for fair dealing. Ginger Automobile is yet to announce the actual price, and the process for allocation of the vehicles. In order to maximise his cash flow, Mr. Ahmed should:
- (a) collect the amount from Mr. Murugan. Later when the delivery is delayed, blame it on PAC's problems.
 - (b) collect 50% as advance and the remaining 50% after the confirmation of launch date by Ginger Automobiles.
 - (c) collect the amount Mr. Murugan is willing to deposit after clarifying that delivery is subject to the company policy.
 - (d) not collect the amount, but suggest to Mr. Murugan to write to Ginger Automobiles.
 - (e) collect the amount and transfer it to the account of Ginger Automobiles, instead of keeping it in his personal account.

Answer Questions 4 and 5 on the basis of the following letter.

To the Chairman

Dear Mr. Sailesh,

At the December 3, 2011 meeting, it was decided that no two officers would hold positions on the same committee. It has recently come to my attention that both Chaitanya Rao and Ajit Singh will be serving in same capacity on the Cultural Committee, and both have been nominated for officer status. As you know, this is in direct disregard for the rules as voted by the Members Council last December 3, 2011. I hope that sufficient action will be taken by the Disciplinary Committee (on which both of the above are members) so that this problem will be remedied.

Sincerely,

Arvind Singh

4. Which of the following is an essential flaw that the writer of the letter overlooked?
- (a) Rao and Ajit are already serving together on the Disciplinary Committee.
 - (b) The Chairman has no power in the matter.
 - (c) The Members Council cannot pass rules limiting members.
 - (d) Rao and Ajit are yet to be confirmed as officers.
 - (e) Cultural Committee is only active during the annual festival.
5. If both the nominations are confirmed, which of the following exhaustively and reasonably, describes actions that may occur in the near future?
- (a) Arvind resigns his membership.

- (b) Either Rao or Ajit resigns his membership.
- (c) Ajit resigns his post on the Cultural Committee.
- (d) Rao resigns his position on the Cultural Committee.
- (e) Either Rao or Ajit resigns his position from the Cultural Committee, and the other resigns his position on the Disciplinary Committee.

Answer Questions 6 to 9 on the basis of the information given in the following case.

Tina a blast furnace expert, who works as a technology trouble-shooter stays in Jamshedpur. She has got an important assignment in Delhi, which requires six hours to complete. The work is so critical that she has to start working the moment she reaches the client's premises.

She is considering various options for her onward and return journey between Jamshedpur to Delhi.

A quick search revealed that ticket from Jamshedpur to Delhi is available in two trains. Trains 12801 and 12443 depart from Jamshedpur station at 06:45 hrs and 15:55 hrs and reach Delhi next day at 04:50 hrs and 10:35 hrs respectively. Trains 12444 and 12802 start from Delhi at 17:20 hrs and 22:20 hrs and reach Jamshedpur next day at 10:35 hrs and 20:05 hrs respectively.

Another option is to reach Ranchi by a three hour road trip and take a flight to Delhi from Ranchi. The distance between Ranchi and Delhi is covered in 105 minutes both-ways by any of the scheduled flights. Air India operates two flights, AI 9810 and AI 810, which depart Ranchi at 8:00 hrs and 15:25 hrs respectively. Flight number IT-3348 operated by Kingfisher Airlines departs Ranchi at 19:20 hrs. Return flights operated by Air India, AI 9809 and AI 809, depart Delhi at 5:50 hrs and 11:00 hrs respectively. Flight number IT-3347 operated by Kingfisher Airlines departs Delhi at 17:10 hrs.

From Tina's home the Jamshedpur railway station is five minutes drive, and her destination at Delhi is 90 minutes and 30 minutes drive from the airport and the railway station respectively. One has to reach the airport at least one hour before the scheduled departure to complete the boarding procedure. At every railway station she loses five minutes in navigating through the crowd.

6. If Tina wants to minimise the total time out of Jamshedpur, the best option for her, from the options given below, is:
 - (a) Depart by AI 9810 and return by IT 3347
 - (b) Depart by AI 9810 and return by train number 12802
 - (c) Depart by IT 3348 and return by AI 9809
 - (d) Depart by Train number 12443 and return by train number 12444
 - (e) Depart by AI 9810 and return by train number 12444
7. Tina gets a message that her work has to be completed between 9:00 hrs. and 17:00 hrs. If she wants to minimise the total time out of Jamshedpur, the best option for her, from the options given below, is:
 - (a) Depart by Train 12443 and return by Train 12444
 - (b) Depart by Train 12801 and return by Train 12802
 - (c) Depart by AI 9810 and return by AI 9809
 - (d) Depart by AI 810 and return by AI 9809
 - (e) Depart by IT 3348 and return by IT 3347

8. Tina has to appear for an exam on 8th of January in Jamshedpur and she can start from her residence in Jamshedpur only after 16:00 hrs of the same day. Choose the option, from the options given below, that will help her to minimise the total time out of Jamshedpur.
- (a) Go by Train 12443 and return by Train 12444
 - (b) Go by Train 12443 and return by AI 9809
 - (c) Go by IT 3348 and return by Train 12801
 - (d) Go by AI 810 and return by Train 12801
 - (d) Go by AI 9810 and return by AI 9809
9. If Tina decides to minimise the in-between waiting period, the option that she should choose from the options given below, will be:
- (a) Go by Train 12801 and return by IT 3347
 - (b) Go by Train 12443 and return by Train 12802
 - (c) Go by AI 9810 and return by Train 12802
 - (d) Go by AI 810 and return by AI 9809
 - (e) Go by IT 3348 and return by AI 809

Answer Questions 10 to 15 on the basis of the information given in the following case.

Teknik Group of Industries had businesses in different sectors ranging from manufacturing, construction, fish farming and hotels. These different businesses operated as semi-independent units managed by the unit level managers. Teknik's management had an internal consultancy group called as Business Advisory Group (known internally as BAG). The 15 experts in the BAG were hired personally by Mr. Teknikwala, the owner of Teknik, who wanted this core group of experts to help his organisation grow fast without facing the typical growth hurdles. Most of them were specialists in fields like law, information technology, human resource management and operations management. Almost all of them had experience spanning decades in the industry. Whenever any of the units faced any significant problems, the unit level managers would put up a request for help to the BAG. The problems ranged from installation of internal MIS systems, to financial advice related to leasing of equipment, to handling of employee grievances.

Over a period of 20 years, Teknik's revenues grew from ` 100 crore to ` 10,000 crore with the guidance of the BAG and due to Mr. Teknikwala's vision. Given its reputation in the industry, many people wanted to start their careers in the BAG. Often young MBAs fresh out of business school would apply. However their applications used to be rejected by Mr. Teknikwala, who had a preference for people with extensive industry experience.

Things changed after the unfortunate demise of Mr. Teknikwala. His daughter Miss. Teknikwali took up the family business. She was an MBA from one of the premier business schools, and was working in a different company when Mr. Tekinwala passed away. She preferred that BAG develop new ideas and therefore inducted fresh graduated MBAs from premier business schools. She personally supervised the recruitment and selection process. Now the entire group constituted of 50 specialists, out of which 35 were the old time members. She also changed the reporting relationships in the BAG group with some of the older members being made to report to the new members. In the IT team, Mr. Shiv, a newly recruited MBA, was made the in-charge.

This came as a shock to the older members. However, as most of them were on the verge of retirement, and it would be challenging to search for new jobs while competing with younger professionals, they decided to play along.

After one month, all business units were caught up in the ERP fever. This was an idea pushed by Ms Teknikwali who felt the need to replace the old legacy systems with the latest ERP system integrating all the units of Teknik. This was heavily influenced by her experience in the previous company where an ERP system was already up and running. Therefore she was not aware of the difference between installing an ERP system and working on an already installed one.

The ERP implementation in Teknik Group required extensive coordination with the senior level managers of all units and it represented an extra work for those who were involved. This coordination was required to understand the different work processes and the users' requirements. This coordination activity was being extensively managed by the old timers as they were familiar with internal processes and people in the different units. An external consultant was also hired for customisation and implementation.

After two months, BAG teams had to fortnightly present their progress to Ms. Teknikwali's team. In the last meeting Ms. Teknikwali was dissatisfied. She explained her thinking that since ERP impacted every aspect of the business, the roll out had to be done faster. She wanted Mr. Shiv to get the implementation completed ahead of schedule. In the meeting she asked Mr. Shiv to get the people in IT team to be more productive. Not willing to disagree, Mr. Shiv committed to a roll-out schedule of complete ERP system in 6 months instead of the earlier decided 14 months.

Next day, Mr. Shiv presented the revised project milestone to the BAG members. He told them that in order to meet the deadline, the members were expected to work on week-ends till the completion of the project. Along with that, they were also expected to maintain their earlier standards of delivery time and quality for the normal trouble-shooting and internal advisory work. Mr. Shiv also pointed out that anyone whose performance did not meet the expectations would be subject to formal disciplinary action.

The meeting ended without any member commenting on Mr. Shiv's ideas, although he heard a lot of mumbling in the corridor. Over the week, Shiv noticed that the members seemed to avoid him and he had to make extra effort to get ideas from them. After a fortnight Shiv reviewed the attendance register and found that Mr. Lal, an old time member, had not come during the weekends and certain decisions were held up due to lack of inputs from Mr. Lal. Mr. Shiv issued a written reprimand to Mr. Lal. He was speechless on receiving the reprimand but kept silent.

It has been three days since that incident. Some of the senior members had put in a request for transfer to other business units. It was rumoured that four senior legal experts had agreed to an offer from a law firm. Other senior members would sporadically come in late to work, citing health reasons. Almost all senior members now wanted a weekly work-routine to be prepared and given to them in advance so that they could deliver as per the schedule. This insistence on written communication was a problem as urgent problems or ad-hoc requests could not be foreseen and included. Also normal services to other business units were being unattended to, and there were complaints coming from the unit heads.

10. Which of the following could have been a better response of Mr. Shiv to Ms. Teknikwali's request to re-schedule the ERP implementation?

- (a) Look at industry best practices regarding fast-tracking of ERP projects and then commit to a new deadline.
 - (b) Consult the external consultant who was involved with ERP customisation and implementation.
 - (c) Create a smaller team of all the new recruits of BAG and present the idea to them alone.
 - (d) Eliminate the reliance on external consultants as they would be slow.
 - (e) Present the idea to BAG members and ask them to look at the feasibility of the entire plan.
11. Which of the following can be identified as the immediate cause for the problems in BAG?
- (a) Ms. Teknikwali's decision to appoint Mr. Shiv as project lead for ERP implementation.
 - (b) The incompetence of the consultant who was implementing the ERP project.
 - (c) Lack of information about what was happening in the ERP project.
 - (d) Infighting between new recruits and the older members of BAG group.
 - (e) Unilateral decision making by Mr. Shiv.
12. How should Mr. Shiv cope with the situation now? Choose the best option, considering Mr. Shiv's career would be at stake if the ERP project fails, and assuming that for carrying out the options, he has the necessary authority to do so.
- (a) Resign from BAG. The project cannot be done as per the re-scheduled time-table. Get a job in another company based on BAG's brand name.
 - (b) Inform Ms. Teknikwali about the situation and get help from her to deal with the old time members. Some old members need to be fired so that others are also disciplined.
 - (c) Align the new members of the BAG group to his side by promising them rewards at the end of the project. Obtain approval from Ms. Teknikwali for the same.
 - (d) Develop work-routines aligned to the ERP project requirements. Hire extra resources for dealing with other ad-hoc requirements and for the ERP project requirements.
 - (e) Create a joint team of old members and new members within BAG to take care of ad-hoc requirements. They could be involved in out-bound programmes like mountaineering etc., which will be conducted during week-ends.
13. Of all the problems being faced in BAG, which of the following is neither discussed nor hinted at?
- (a) Ms. Teknikwali's lack of faith on older members to implement new ideas.
 - (b) The inability of the younger members to work along with the older members of the BAG.
 - (c) Mr. Shiv's intention to impress Ms. Teknikwali by agreeing to a tougher deadline.
 - (d) Ms. Teknikwali's lack of understanding of the complexity of an ERP implementation.
 - (e) Mr. Shiv's lack of understanding of the sensitivities of the older members of BAG.
14. After her father's demise, the best way Ms. Teknikwali could have gone about dealing with the BAG group would have been to:
- (a) discuss with the members as to what their views were about the company and solicit ideas on how to make it grow further.

- (b) retire the entire team and hire a fresh team according to her criteria and her requirements.
 - (c) hire an external consultant who would have interacted with the BAG members on her behalf.
 - (d) ask the unit managers about the BAG group's performance and productivity. After that have discussion with BAG members about unit managers' performance.
 - (e) break down BAG into different sub-groups. It would be easy to tackle one sub-group at a time and do what she wanted to achieve.
15. It can be inferred from the above case that implementation of an ERP package in an organisation requires creation of a team that has:
- (a) a mixture of experienced employees and fresh graduate employees
 - (b) only young people with education in top schools and colleges
 - (c) sufficient number of people who are networked with powerful stakeholders in the organisation
 - (d) right amount of problem solvers along with those who are abreast of the latest ERP technology
 - (e) people who have been involved with operations for a long duration of time along with people who are aware of the latest in ERP technology

Answer Questions 16 and 17 on the basis of the information given in the following case.

Vivekananda Memorial Elocution Competition (VMEC) in Viswavijay Public School (VPS) has history of forty years. Apart from the founder's day and annual day celebrations, it is the most important event of the school.

In recent times, due to the increased popularity of reality shows on television channels, and for various other reasons, the elocution competition lost its appeal. Interest of both students and parents has been eroding over a period of time. To ensure sufficient audience, Mr. Ivan, Head of English Department, introduced choral recitation for junior section as a part of elocution competition. Three classes, each consisting of forty students, get short-listed for the final performance of choral singing on the day of VMEC. Most of the parents and family members of these students attend the function to encourage them. This initiative increased the number of people attending the elocution competition.

Some teachers are unhappy with the emphasis given on the elocution competition, since they are expected to be present at the school on the day of competition, which normally happens on a weekend to accommodate the working parents. The teachers were not granted leave on the day of VMEC and they used to be unhappy regarding this aspect.

16. Ms Shabina, the principal of VPS, is aware that some of her teachers are unhappy. She wants to be seen as fair and just. Which is the best option that she should exercise?
- (a) Introduce separate music and dance competitions in same format as the elocution competition.
 - (b) Appropriately compensate those teachers who volunteer to come for the extra day.
 - (c) Appoint a committee of teachers, parents and management representatives to come up with possible suggestions within a deadline.
 - (d) Appoint a committee of teachers to come up with possible suggestions, and ensure that

majority of committee members are staunch supporters of the current practices.

(e) Exercise the authority of the principal because she wants to retain all traditions.

17. A group of unhappy teachers have come up with a list of action plans for the consideration of their colleagues. The action plans are listed below.

I. Exposing Mr. Ivan's intentions behind the inclusion of choral recitation.

II. Conduct an open house discussion to gauge the unhappiness and to identify possible solutions.

III. Introduce music and dance competition in the same format as elocution competition.

IV. Demand compensation for their work on the day of VMEC.

Mr. Zacharia, one of the senior teachers and a well-wisher of VPS, is asked to go through the action plans and make recommendations that benefit VPS the most. He would recommend:

(a) Options I and II

(b) Options II and IV

(c) Options I and III

(d) Options I and IV

(e) Options I, II and IV

Answer Questions 18 to 20 on the basis of the information given in the following case.

Dev Anand, CEO of a construction company, recently escaped a potentially fatal accident. Dev had failed to notice a red light while driving his car and attending to his phone calls. His well-wishers advised him to get a suitable replacement for the previous driver Ram Singh, who had resigned three months back.

Ram Singh was not just a driver, but also a trusted lieutenant for Dev Anand for the last five years. Ram used to interact with other drivers and gathered critical information that helped Dev in successfully bidding for different contracts. His inputs also helped Dev to identify some dishonest employees, and to retain crucial employees who were considering attractive offers from his competitors. Some of the senior employees did not like the informal influence of Ram and made it difficult for him to continue in the firm. Dev provided him an alternative job with one of his relatives.

During the last three months Dev has considered different candidates for the post. The backgrounds of the candidates are given in the following table.

Name	Age	Educational Qualification	Experience	Expected Salary(₹)	Remark
Sunder	32	Post-graduate	Seven years of driving experience	18,000 per month	Ex-employers are highly satisfied. Their only concern is about his tendency to switch jobs after every six months. Enjoys the newness in every job but tends to lose interest after six months. Not willing to commit for any more than six months
Mani	23	Studied up to Standard IX	One year	8,000 per month	Claims to have more than one year of experience, but can't provide any certificate to substantiate it. He has received a hike of ₹ 2,000 last month on account of his good performance as a driver.
Chintan	44	Graduate	20 years	20,000 per month	Working as a driver for the last one year after losing his previous job of a stenographer. He has been forced to take up the job of a driver.

Bal Singh	40	Literate	More than 20 years	15,000 per month	Cousin of Ram Singh. Substituted Ram as Dev's driver whenever Ram was on leave. Currently working as a driver with Dev's in-laws. Strongly recommended by Ram. His knowledge and contacts in the firm are as good as Ram's.
Chethan	38	Standard XII	10 years	12,000 per month	Working as a temporary driver with Dev's major competitor for the last three years. The competitor has offered Chethan's service to Dev on a temporary basis. Chethan has also expressed his willingness to work on a long term basis, provided he is given an annual increment of ` 500, which is reasonable as per the market condition.

Dev is primarily looking for a stable and trustworthy driver, who can be a suitable replacement for Ram. His family members do not want Dev to appoint a young driver, as most of them are inexperienced. Dev's driver is an employee of the firm and hence the appointment has to be routed through the HR manager of the firm. The HR manager prefers to maintain parity among all employees of the firm. He also needs to ensure that the selection of a new driver does not lead to discontent among the senior employees of the firm.

18. From his perspective, and taking into account the family's concerns, Mr. Dev would like to hire
- (a) Chethan

(c) Bal Singh

(e) Sunder

(b) Chintan

(d) Mani
19. In order to resolve the conflicting preferences, one of Dev's friends suggested Dev, his family members and the HR manager to identify their most and the least preferred candidates without considering the concerns of other stakeholders.
- Dev's most and least preferred candidates: Bal Singh and Chethan respectively
 - Family members' most and least preferred candidates: Bal Singh and Chintan respectively
 - HR manager's most and least preferred candidates: Chethan and Bal Singh respectively

Which of the above three statements is/are in conformity with the information provided in the passage?

- (a) Option I

(c) Options I and II

(e) Option I, II and III

(b) Option II

(d) Options II and III
20. Who among the following five candidates is most likely to be rejected by the GM (HR)?
- (a) Chethan

(c) Bal Singh

(e) Sunder

(b) Chintan

(d) Mani

Answer Questions 21 and 22 on the basis of the information given in the following case.

Saral Co. is operating in seven north-eastern states of the country. The organisation has a history of participative decision making, wherein people deliberate openly about pros and cons of every important decision, and a broad consensus is taken before taking the final decision. In Saral Co. every employee gets a salary proportional to the sales achieved. A new General Manager (GM) joined at the beginning of this month and challenged the organisation's sole focus on sales to determine salaries. He urged the top management to include two more additional parameters in determining the salaries of the employees, viz. collection of information about competitors and the quality of relationship with the retailers.

21. Manohar, the highest earning employee for the last three years, vehemently opposes the GM's proposal. Which of the following could be most likely reason for him to oppose the proposal?
- (a) He considers the proposal as a serious threat to his favourable position in Saral Co.
 - (b) He is not interested in collecting the information regarding competitors.
 - (c) No clarity regarding the relative importance of the three parameters.
 - (d) He is not interested in maintaining quality relationship with retailers.
 - (e) He may need to work harder to earn the highest salary.
22. The top management of Saral Co. refused to implement the proposal of the new GM from the beginning of next month. Which of the following could be the most justified reason for the management's refusal?
- (a) To ensure that no manager will get credit for a major change soon after joining.
 - (b) To avoid attracting criticism for their failure to implement a similar scheme.
 - (c) His past experience is limited to seven north-eastern states only.
 - (e) The GM is new to the organisation and he would require some time to implement the new plan.
 - (d) The top management would need time to deliberate and get consensus.

Answer Questions 23 to 25 based on the case given below.

Ethical – a person is called unethical, when he deviates from principles. The principles and their use is often guided by two definitions:

Moral: Society's code for individual's survival.

Ethics: An individual's code for society's survival.

Naresh was a small time civil contractor in a small city. His major clients were the residents who wanted ad-hoc work like painting, building extensions to be done. His just prices had made him a preferred contractor for most of the clients. He always followed the principle that the client had to be kept happy—only by doing so it would be a win-win situation for both. However due to the unpredictability of such orders from residents, Naresh used to be idle for substantial part of the year. As a consequence, he could not expand his business.

His two children were growing up and his existing business could not support their expenses. The medical expense of his elderly parents was another drain on his resources. The constant rise of prices in medical care and medicines was another issue. For Naresh, family's concern was predominant. Naresh was, therefore, under pressure to expand his business. He was the sole earning member of his family, and he had to ensure their well being. He thought that by expanding his business, not only

would he be able to care for his family in a better way, as well as offer employment to more number of masons and labourers. That would benefit their families as well. Naresh drew the boundary of his society to include himself, his family members, his employees and their family members.

For expansion, the only option in the city was to enlist as a contractor for government work. Before deciding, he sought advice from another contractor, Srikumar, who had been working on government projects for a long period of time. Srikumar followed the principle of always helping others, because he believed that he would be helped back in return some day. Srikumar had just one advice “The work is given to those who will win the bidding process and at the same time will give the maximum bribe. Prices quoted for work have to include bribes, else the bills will not get cleared and the supervisors will find multiple faults with the execution of work. This ensures survival and prosperity for contractors”.

When asked about other contractors, Srikumar said “The government contractors are like a micro-society in themselves, almost like a brotherhood. Within that, they are highly competitive; however towards any external threat they are united to ensure no harm happens to any of their members”.

23. Naresh decided to work as a government contractor. Following Srikumar’s advice, he inflated the prices so that he could pay the bribes out of the bills received.

- (a) Naresh is now totally unethical.
- (b) Naresh cannot be called totally ethical.
- (c) Naresh can be called ethical when it suits him.
- (d) Naresh is ethical to some extent.
- (e) Naresh is being totally ethical.

24. A new supervisor had joined a government department where both Naresh and Srikumar were bidding for work. During the bidding process for a particular project, in an open meeting with all contractors and officers from the department, he produced a document which had the rates at which Naresh had worked for private clients for similar building related work. He accused Naresh and Srikumar of over-pricing for government work and threatened to disqualify them from the bidding process, if the rates are not brought down. Faced with that situation, Naresh gave a written reply that “I use materials of inferior quality for private work, and that is the reason for the price difference”. Srikumar supported Naresh in the meeting by saying that he had seen Naresh’s work and he agreed. In this situation, it can be concluded that:

- (a) both Naresh and Srikumar are unethical.
- (b) Naresh is unethical while Srikumar is not.
- (c) both Naresh and Srikumar are ethical.
- (d) Naresh is ethical to a large extent, but no conclusion can be made about Srikumar.
- (e) Srikumar is unethical, but no conclusion can be made about Naresh.

25. Lankawala, another contractor, when faced with the new supervisor’s demand to reduce prices for government work, asked him to guarantee that no bribes would be taken, and only then prices would be reduced. This was said in front of everyone. At this the supervisor forced Lankawala out of the meeting and threatened to black-list him. Lankawala did not say anything and walked away. Blacklisting of a contractor by one government department implied that Lankawala would not be able to participate in any government departments’

works.

In late evening, the city was abuzz with the news that the supervisor's dead body was seen on the railway tracks. In the investigations that followed, no one who attended the meeting recounted the happenings in the meeting to the police. Getting involved in murder cases could lead to unpredictable outcomes such as becoming the potential suspect, or an accessory to the crime. Furthermore, cases could drag on for years, and one would have to appear in court as witnesses in response to court's summons. This, for a contractor, was a serious threat to his business due to the disruptions created. However, Naresh wanted to speak out but was pressurised by Srikumar and other contractors not to, and as a result he did not. Due to this, the case was closed unresolved with no one found guilty.

In this situation, it can be concluded that:

- (a) Srikumar is immoral, but ethical, while Naresh is not unethical.
- (b) Naresh is ethical and moral, while other contractors are immoral and unethical.
- (c) Naresh, Srikumar and other contractors are both immoral and unethical.
- (d) Other contractors are moral, and they prevented Naresh from being immoral.
- (e) Other contractors are unethical, but no conclusion can be made about Naresh.

Answer Key

1. (d)	2.(b)	3. (c)	4. (d)	5. (e)
6. (b)	7. (d)	8. (e)	9. (d)	10. (e)
11. (e)	12. (d)	13. (b)	14. (a)	15. (d)
16. (b)	17. (b)	18. (c)	19. (a)	20. (c)
21. (e)	22. (e)	23. (b)	24. (d)	25. (a)

Solutions:

1. Since *Baft* and *Hebe* have not been mentioned in the information given in the passage, any conclusion about them in the statements 1 and 2 is not possible. So the correct answer is neither 1 nor 2, i.e option (d).
2. Since the model is delayed it is unfair on the part of the dealer to force the customer to wait. However, the dealer will suffer losses if the customer goes to some other company. So for those customers who are in a hurry to buy a vehicle the best option will be to suggest a similar or another model that the company is offering which would suit the customer's taste and also give him/her a good discount so as to respect his brand loyalty and also to provide a sort of compensation. Thus option (b) is the most suitable option in this case.
3. As the company is still not clear about the actual price of the car and the customer is willing to pay, which would also help the dealer in sustaining his cash flows, the best possible deal would be to take whatever advance payment the customer is giving but at the same time make sure that the customer knows about the uncertainty in the delivery of the car which would be

totally dependent on the company. Once the customer is comfortable with this scenario, the dealer could collect whatever payment the customer is offering. Option (c) is the correct answer.

4. The essential error is that the person has assumed erroneously that as both have been nominated for the same status they might be holding the same position which is yet not certain, so this presumption is the flaw in this case as till the time the letter was written the order had not been finalised. Thus option (d) is the correct answer.
5. Logically if 2 people are holding same positions in 2 committees, one will resign from each one so that both are holding one-one position each, thus option (e) is the best option.

Solutions for Questions 6 to 9:

The best approach for this question is to first make a table/grid encapsulating all the information.

The following grid would do so:

Trains:

From Jamshedpur to New Delhi

Train no.	Departure	Arrival	Total time	Time including travel to and from station & time for crowd negotiation	Arrival time at final destination
12801	6:45 AM	4:50 AM	22 hrs 5 minutes	22 hrs 50 minutes	5:25 AM
12443	3:55 PM	10:35 AM	18 hrs 40 minutes	19 hrs 25 minutes	11:10 AM

From New Delhi to Jamshedpur

Train no.	Departure	Arrival	Total time	Time including travel to and from station & time for crowd negotiation	Arrival time at final destination
12802	10:20 PM	8:05 PM	21 hrs 45 minutes	22 hrs 30 minutes	8:15 PM
12444	5:20 PM	10:35 AM	17 hrs 15 minutes	18 hrs	10:45 AM

Flights:

From Ranchi to New Delhi

Flight no.	Departure	Arrival	Time including travel to and from airport & waiting time at airport (3 hours + 1 hour + 90 minutes)	Arrival time at final destination
AI 9810	8:00 AM	9:45 AM	7 hrs 15 minutes	11:15 AM
AI 810	3:25 PM	5:10 PM	7 hrs 15 minutes	6:40 PM
IT 3348	7:20 PM	9:05 PM	7 hrs 15 minutes	10:35 PM

From New Delhi to Ranchi

AI 9809	5:50 AM	7:35 AM	7 hrs 15 minutes	10:35 AM
AI 809	11:00 AM	12:45 PM	7 hrs 15 minutes	3:45 PM
IT 3347	5:10 PM	6:55 PM	7 hrs 15 minutes	9:55 PM

Once we have these tables in front of us we can move into the questions and their options.

6. We need to check each of the options and see which one gives her the least time out of Jamshedpur.

The first option (AI 9810 and return by IT 3347): Involves leaving Jamshedpur at 4 AM on the first day, reaching the workplace at 11:15 AM on the same day, working till 5:15 PM the same day and reaching the airport at 6:45 PM. IT 3347 would already have left for the day. Hence, if she returns by IT 3347 she would have to reach back home at 9:55 PM on the next night.

Thus, she leaves at 4 AM on day 1 and reaches back at 9:55 PM on Day 2. Total time = 41 hrs 55 minutes

Option (b): AI 9810 and return by train no:12802—Involves leaving Jamshedpur at 4 AM on the first day, reaching the workplace at 11:15 AM on the same day, working till 5:15 PM and reaching the railway station at 5:45 PM, on the same day. Her return journey train would start at 10:20 PM and make her reach home at 8:15 PM on the next day.

Thus, she leaves at 4 AM on day 1 and reaches back at 8:15 PM on Day 2. Total time = 40 hrs 15 minutes.

Option (c): IT 3348 and return by AI 9809—Involves leaving Jamshedpur at 3:20 PM on the first day, reaching the workplace at 10:35 PM on the same day, working till 4:15 AM the next day and reaching the airport at 5:45 AM. She cannot make it to the cutoff time for catching AI 9809 on that day. Thus, if she returns by AI 9809 she would have to reach back home at 10:35 AM on the next day (i.e. day 3)

Thus, she leaves at 3:20 PM on day 1 and reaches back at 10:35 AM on Day 3. Total time is clearly over the time taken by option (b).

Option (d): Train numbers 12443 and 12444.

This option can be easily removed as the total travel time on the train itself would be 18 hours 40 minutes + 17 hours 15 minutes = 35 hours 55 minutes. If you add the work time of 6 hours, it would become 41 hours 55 minutes, which is clearly more than option (b).

Option (e): AI 9810 and train 12444—Involves leaving Jamshedpur at 4 AM on the first day reaching the workplace at 11:15 AM on the same day, working till 5:15 PM the same day and reaching the railway station at 5:45 PM on the same day. However, train 12444 would have already left for the day and she would have to wait for the next day's train if she wants to come back by that train. Hence, she reaches home at 10:45 AM on Day 3. Clearly over 48 hours; does not beat option (b).

Hence, option (b) is the correct answer.

7. Looking at the options:

Option (e): It can be seen that taking the journey by IT 3348 and back by IT 3347 option involves leaving Jamshedpur at 4:20 PM on day 1, reaching Delhi at 10:35 PM and doing her work from 9 AM to 3 PM the next day. In this case, she would not be able to take the flight or the journey back. Thus, she has to catch IT 3347 on day 3. So, she leaves on day 1 at 4:20 PM and gets back on day 3 at 9:55 PM. Total time taken: 53 hours 35 minutes.

Option (a): Depart by train no. 12443 and return by train no. 12444—Leave home at 3:45 PM reach work destination at 11:10 AM next day, she would not have 6 hours to complete the work on the same day before 5 PM. Hence, she waits for the next day and catches train no. 12444 for her return journey at 5:20 PM on Day 3. She reaches back home at 10:45 AM on day 4. Total time: Clearly more than option (e)'s time. Hence, option (a) can be rejected.

Option (b): Depart by train no. 12801 and return by train no. 12802—

Leave home at 6:35 AM, reach work destination at 5:25 AM next day, she would start work at 9 AM, finish work at 3 PM. She catches train no. 12802 for the return journey at 10:20 PM on day 2 and reaches home at 8:15 PM on day 3. Total time: Over 60 hours.

Option (c): Depart by flight AI 9810 and return by flight AI 9809—Leave home at 4 AM on day 1; Reach the office at 11:15 AM the same day. She would have to do her work on the next day as she does not have 6 hours before 5 PM the same day. Hence, she will take AI 9809 on day 3 and reach home at 10:35 AM. Total time = 54 hours 35 minutes.

Option (d): Depart by flight AI 810 and return by flight AI 9809

Leave home at 11:25 AM and reach the same day. Do the work between 9 AM to 3 PM on day 2. Hence, she will take AI 9809 on day 3 and reach home at 10:35 AM. Total time = 47 hours 10 minutes.

Thus, option (d) is the correct answer.

8. If she cannot leave Jamshedpur before 16:00 hours on that day, it means that she really cannot get to New Delhi before 11:15 AM the next day (by taking the AI 9810). She can then complete her work on that day, from 11:15 AM to 5:15 PM. Then the earliest she can reach back would be if she takes AI 9809 flight at 5:50 AM and reaches home at 10:35 AM.

Thus, option (e) is the correct answer.

9. The in-between waiting period between reaching her office and returning would be given by (total time spent in Delhi – travel time to and from in Delhi – 6 hours of work time)

On comparing the 5 options, it can be seen that Option (d) is the best answer (Refer to the table below).

Option	Travel by	Reach office at	Finish work at	Reach airport/station at	Latest time she had to reach airport/station	Total waiting time
a	12801 – IT 3347	5:25 AM	11:25 AM	12:55 PM	4:10 PM	195 minutes
b	12443 – 12802	11:10 AM	5:10 PM	5:40 PM	10:15 PM	275 minutes

c	AI 9810 – 12802	11:15 AM	5:15 PM	5:45 PM	10:15 PM	270 minutes
d	AI 810 – AI 9809	6:40 PM	00:40 AM	2:10 AM	4:50 AM	160 minutes
e	IT 3348 – AI 809	10:35 PM	4:35 PM	6:05 AM	10 AM	235 minutes

10. In order to reschedule the ERP deadlines according to the order, Mr. Shiv should have discussed with the team of experts, i.e in this case the BAG members, and then come to a well thrashed out solution instead of unilaterally announcing a deadline and giving strict orders for the same. Thus option (e) is the best.
11. Although there were a number of reasons for the problems which are also mentioned in some of the options here [options1, 3], but the immediate cause was Mr. Shiv’s single-handed decision at the meeting and its strict follow up. Thus, option (e) is correct.
12. Resigning from the job, complaining to the boss or aligning the new members against the old would be childish actions. Here the best possible course of action would be to work out the routine and get additional help for the ad-hoc or extra jobs so that the core team is not burdened too much. Thus option (d) is the best answer.
13. In the passage all the options, namely 1, 3, 4 and 5 have been directly or indirectly mentioned or hinted at, the only option not mentioned in any way is the working problems faced by the new members of the team. Hence option (b) is the answer.
14. The best possible course of action would have been to follow her father’s way of working which was a proven success, which included discussing things with the BAG members and following a well thought out course of action. Hence option (a) is correct.
15. It can be inferred from this case that for implementation of an ERP package one requires a right mix of experienced problem solvers together with people who know about ERP and not just know about it, but are also upto date with it. Here option (d) and (e) come close but option (d) talks about inclusion of problem solvers and also mentions people abreast, i.e. upto date with ERP. This makes option (d) the correct answer and also superior to option (e).
16. The principal should look into why the teachers are unhappy and adequately compensate them for the extra efforts they are putting in. To be ruthless or to be too dogmatic would go against the bounds of being fair and just. Option (b) is the best action.
17. Mr. Zacharia as a well-wisher and experienced teacher would definitely look into the grievances of the teachers and offer them adequate compensation for the same. They could also discuss the problems and possible remedial measures. Exposing someone or being autocratic here would only spoil the situation. Hence option (b) is the best course of action.
18. Mr. Dev’s concerns are trustworthy and stable and his family’s concerns are older in age/maturity and experienced driver. All these are fully satisfied by Bal Singh. Option (c) is correct.
19. Dev’s most preferred candidate is Bal Singh and least preferred is Chethan as he is temporary and also sent by a competitor; thus option I is definitely correct. His family is concerned about age and Mani is the youngest, thus least preferred by the family. So option II does not match

the facts. As all the options except option (a) include II thus the correct option is (a).

20. As the GM is concerned about the senior members who did not like Ram he is most likely to reject Bal Singh as he is Ram's relative, is similar to him in his approach and has also been recommended by him. Option (c) is correct.
21. Although options 1, 2, 3 and 4 may or may not be true, the 5th option is most likely implied in this case as it is a clear implication of the new policy being suggested by the new GM. The work would definitely increase as 2 new parameters are added. Thus option (e) is definitely correct.
22. As Saral Co. has a policy of discussing everything with its employees before its implementation, an immediate ratification of a new order would not be possible unless enough time was given for deliberation and discussion by the members. Hence option (e) is correct.
23. The definition of ethics is defined as "An individual's code for society's survival." Naresh's definition of his society is his family, himself, his employees and their family members. Remember that 'ethical' and 'moral' are different. Someone can be immoral but at the same time be ethical towards his society.

In such a case, in his mind he is being ethical. But actually your society cannot be defined by you according to your conveniences. Thus, he cannot be called totally ethical. At the same time he cannot be called totally unethical as he is working in the best interest of his smaller society. Hence the best option is Option (b).

24. In this case too, Naresh is working on the best interests of his narrowly defined society. However, he has defined society not to include the larger society. Thus, Naresh can be called largely ethical, but for Srikumar we cannot conclude anything as we do not know the definition of his society.

Hence, option (d) is the correct answer.

25. Clearly Srikumar is being immoral, as he not only kept silent but also forced Naresh not to speak. At the same time Naresh is being ethical as he is taking care of his society's interests. Option (a) is correct.