

CUET Business Studies Solved Paper-2023

Held on 28 May 2023 (Shift-III)

1. In Entrepreneurship, KASH stands for:
 - (a) Knowledge, Ability, Skill, Habits
 - (b) Knowledge, Available, Schemes, Habits
 - (c) Knowledge, Attitude, Skill, Habits
 - (d) Knowledge, Ability, Schemes, Habits
2. Consider the following Facts about Consumer Protection Act:
 - (A) Getting relief against unfair trade practices by a consumer is called right to be heard
 - (B) A seller is not a King in a free market economy
 - (C) 'Caveat emptor' means 'Let the buyer beware'
 - (D) Right of Consumer for being well informed throughout life, is called right to be informed
 - (E) Freedom to consumer for accessing variety of Products is right to be assured.

Choose the **correct** answer from the options given below:

 - (a) (A), (B) and (C) only
 - (b) (A), (B) and (E) only
 - (c) (A), (B) and (D) only
 - (d) (B), (C) and (E) only
3. Identify and arrange the steps of organising Process in correct sequence.
 - (A) Assignment of duties
 - (B) Recruitment and selection
 - (C) Identification and division of work
 - (D) Establishing authority and reporting relationship
 - (E) Departmentalisation

Choose the **correct** answer from the options given below:

 - (a) (C), (E), (A), (D)
 - (b) (C), (A), (E), (D)
 - (c) (C), (D), (A), (E), (B)
 - (d) (C), (D), (E), (A), (B)
4. Money Market Instruments do not Include:
 - (A) Treasury Bill
 - (B) Certificate of Deposit
 - (C) Commercial Bill
 - (D) Equity Shares
 - (E) Preference Shares

Choose the **correct** answer from the options given below:

 - (a) (A), (B), (C) and (D) only
 - (b) (D) only
 - (c) (D) and (E) only
 - (d) (A), (B) and (C) only
5. Which of the following is NOT considered as top Management in an Organisation?
 - (a) Production Manager
 - (b) President
 - (c) Chairman
 - (d) Chief Operating Officer
6. Select the correct sequence of first five steps involved in the Trading and Settlement Procedure of Stock Exchange:
 - (A) Matching the share and best price available by broker
 - (B) Approach to a registered broker
 - (C) Open a Demat Account
 - (D) Issuance of a trade confirmation slip by broker to the investor
 - (E) Place an order of buying or selling with the broker

Choose the correct answer from the options given below:

 - (a) (C), (B), (A), (E), (D)
 - (b) (B), (C), (E), (A), (D)
 - (c) (B), (C), (A), (D), (E)
 - (d) (B), (C), (A), (E), (D)
7. Which of the following is **not** a Limitation of Planning?
 - (a) Planning leads to high flexibility
 - (b) Planning leads to rigidity
 - (c) Planning reduces creativity
 - (d) Planning is a time consuming process
8. Which of the following is incorrect about elements of delegation?
 - (a) Authority Flows from top to bottom
 - (b) Responsibility flows upwards
 - (c) Accountability is derived from responsibility
 - (d) Responsibility is derived from accountability
9. Consider the following facts about Management:
 - (A) Management is not a tangible force
 - (B) Management is not an intangible force
 - (C) Management of people, management of work and management of operations are dimensions of management
 - (D) Management is an individual activity
 - (E) Management is dynamic function

Choose the **correct** answer from the options given below:

 - (a) (A), (B) and (D) only
 - (b) (A), (C) and (E) only
 - (c) (A), (B) and (C) only
 - (d) (A), (D) and (C) only
10. Identify the pair which does **not** affect the choice of capital structure:
 - (a) Flexibility and Control
 - (b) Cost of Equity and Goodwill
 - (c) Risk consideration and ROI
 - (d) Cost of debt and Floatation Cost
11. Arrange the steps of Planning Process in a proper order:
 - (A) Amplementation of plan and follow-up action
 - (B) Developing Premises
 - (C) Identification and evaluation of alternative courses of action
 - (D) Setting up of objectives
 - (E) Selecting an alternative

Choose the **correct** answer from the options given below:

 - (a) (B), (D), (E), (A), (C)
 - (b) (B), (C), (E), (D), (A)
 - (c) (D), (B), (C), (E), (A)
 - (d) (A), (B), (C), (D), (E)

12. Considering the fact about "Branding" which among the following are its related terms?

(A) Pricing (B) Brand Mark
(C) Trade Mark (D) Brand Name
(E) Brand

Choose the **correct** answer from the options given below:

- (a) (A), (B), (C) and (E) only
(b) (B), (C), (D) and (E) only
(c) (A), (C), (D) and (E) only
(d) (A), (D), (E) and (B) only

13. Which of the following is **not** a nature of Principles of Management?

- (a) Universal Applicability
(b) Formed by Practice and Experimentation
(c) Flexible
(d) Does not depend upon the prevailing situation at a particular point of time

14. Fredrick Winslow Taylor was an American _____ who sought to improve industrial efficiency.

- (a) Civil Engineer (b) Computer Engineer
(c) Mining Engineer (d) Mechanical Engineer

15. Match List-I with List-II.

List-I

- (A) Training of Intermediaries
(B) Providing liquidity to financial Assets
(C) Safety of Transaction
(D) Protect the interest of investor

List-II

- (I) Function of Financial Market
(II) Functions of Stock Exchange
(III) Development function of SEBI
(IV) Objective of SEBI

Choose the **correct** answer from the options given below:

- (a) (A)-(III), (B)-(I), (C)-(II), (D)-(IV)
(b) (A)-(II), (B)-(III), (C)-(I), (D)-(IV)
(c) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)
(d) (A)-(II), (B)-(I), (C)-(IV), (D)-(III)

16. Who can file a complaint before the appropriate consumer forum?

- (a) Any consumer can file a complaint and does not need the services of an advocate.
(b) Any unregistered consumers association.
(c) The traders who purchased the goods with the purpose of selling.
(d) Any person who is relative of the consumer

17. Considering the economic environment of a business, the components are:

- (A) Life expectancy (B) Inflation
(C) Interest Rate (D) Consumption Habits
(E) Disposable Income

Choose the **correct** answer from the options given below:

- (a) (A) and (D) only
(b) (C) and (A) only

- (c) (B), (C) and (E) only
(d) (A), (B) and (C) only

18. Arrange the following marketing philosophies according to their evolution:

- (A) The Product Concept
(B) The Selling Concept
(C) The Production Concept
(D) The Marketing Concept
(E) The Societal Marketing Concept

Choose the **correct** answer from the options given below:

- (a) (A), (B), (C), (D), (E)
(b) (B), (A), (C), (E), (D)
(c) (C), (A), (B), (D), (E)
(d) (D), (A), (C), (E), (B)

19. Identify the correct sequence of first 5 steps of process of Selection:

- (A) Employment interview
(B) Reference and background checks
(C) Selection Tests
(D) Selection Decision
(E) Preliminary Screening

Choose the **correct** answer from the options given below:

- (a) (E), (A), (D), (B), (C)
(b) (E), (A), (B), (C), (D)
(c) (E), (A), (C), (B), (D)
(d) (E), (C), (A), (B), (D)

20. Match List - I with List - II.

List - I

- (A) Packaging
(B) Labelling
(C) Advertising
(D) Branding

List - II

- (I) Impersonal form of communication
(II) Act of designing containers/wrappers
(III) Process of giving a name/sign
(IV) Act of designing labels

Choose the **correct** answer from the options given below:

- (a) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
(b) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)
(c) (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
(d) (A)-(I), (B)-(III), (C)-(IV), (D)-(II)

21. Which of the following statements are correct?

- (A) The Consumer Protection Act seeks to protect and promote the consumers interest.
(B) Consumer Protection Act was laid down in the year 1947.
(C) It is the moral duty of any business to take care of consumers interests.
(D) A business has social responsibilities towards various interest groups.
(E) Government of India has enacted several regulations designed to provide adequate protection to consumers.

Choose the **correct** answer from the options given below:

- (a) (A), (C) and (D) only
(b) (A), (C), (D) and (E) only
(c) (A), (B), (C) and (D) only
(d) (B), (C) and (D) only

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22. Identify an option which defines "Management as an Art".

- (a) Personalised application
- (b) Principles based on application
- (c) Universal Validity
- (d) Restricted entry

23. Match List - I with List - II

List - I

- (A) Indicator of a person's learning ability
- (B) Provides clues to a person's value system
- (C) Measurement of Individuals potential for learning new skills
- (D) Indicator for the pattern of involvement of a person

List - II

- (I) Aptitude Tests
- (II) Interest Tests
- (III) Intelligence Tests
- (IV) Personality Tests

Choose the **correct** answer from the options given below:

- (a) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
- (b) (A)-(III), (B)-(IV), (C)-(I), (D)-(II)
- (c) (A)-(III), (B)-(II), (C)-(I), (D)-(IV)
- (d) (A)-(III), (B)-(I), (C)-(II), (D)-(IV)

24. Which of the following is **incorrect** about organising?

- (a) Organising is a management function
- (b) Departmentalisation is the first step of organising
- (c) Functional structure is a part of organising
- (d) Organising leads to specialisation in work

25. Match List - I with List - II

List - I

- (A) Departmentalisation
- (B) Functional Structure
- (C) Divisional Structure
- (D) Informal Organisation

List - II

- (I) Leads to occupational specialisation
- (II) Leads to product specialisation
- (III) Network of social relationship
- (IV) Grouping of similar activities

Choose the **correct** answer from the options given below:

- (a) (A)-(IV), (B)-(I), (C)-(II), (D)-(III)
- (b) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)
- (c) (A)-(II), (B)-(I), (C)-(III), (D)-(IV)
- (d) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)

26. _____ involves shifting of an employee from one job to another or from one shift to another, without a substantive change in the responsibilities and status of the employee.

- (a) Promotion
- (b) Transfer
- (c) Placement
- (d) Orientation

27. In the world of Financial market, IPO stand for:

- (a) Indian Private Organisation
- (b) Initial Public Offer
- (c) International Public Offer
- (d) Initial Public Offset

28. Mohan, a Production Manager of 'X' Ltd. has divided his factory operations under - Planning Incharge and Production Incharge.

Identify the technique of Scientific Management being followed by Mohan.

- (a) Motion Study
- (b) Functional Foremanship
- (c) Time Study
- (d) Method Study

29. Which of the following is the correct option relating to Entrepreneurship?

- (a) Entrepreneur undertake calculated risk
- (b) Entrepreneurs undertake low risk
- (c) Entrepreneurs undertake high risk
- (d) Entrepreneurs undertake moderate and calculated risk

30. Match List - I with List - II.

List-I

- (A) Objectives
- (B) Rules
- (C) Procedure
- (D) Strategy

List-II

- (I) Specific Statements
- (II) Routine steps on how to carry out activities
- (III) Provide the Broad Contours of business
- (IV) Desired Future Position

Choose the **correct** answer from the options given below:

- (a) (A)-(II), (B)-(III), (C)-(IV), (D)-(I)
- (b) (A)-(III), (B)-(I), (C)-(IV), (D)-(II)
- (c) (A)-(IV), (B)-(I), (C)-(II), (D)-(III)
- (d) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)

31. Choose the pair which is not included in marketing mix elements:

- (a) Place and Price
- (b) Promotion and Public
- (c) Product and Price
- (d) Price and Place

32. In which year New Economic Policy was introduced in India?

- (a) 1981
- (b) 1991
- (c) 1982
- (d) 1992

33. _____ leads to shifting an employee to higher position carrying higher responsibilities, facilities status and pay.

- (a) Promotion
- (b) Direct recruitment
- (c) Transfer
- (d) Web Publishing

34. The organisation structure can be defined as the framework within which _____ and _____ tasks are performed.

- (a) Managerial and Staffing
- (b) Managerial and Operating
- (c) Operating and Staffing
- (d) Staffing and Controlling

35. Identify the correct features of Principles of Managements:

- (A) Flexible
- (B) Interrelated
- (C) General Guidelines
- (D) Pervasive
- (E) Contingent

Choose the **correct** answer from the options given below:

- (a) (A), (C), and (E) Only
- (b) (B), (C), and (E) Only
- (c) (A), (C), and (D) Only
- (d) (B), (C), and (D) Only

36. Match List - I with List - II.

- | List-I | List-II |
|---------------------------|---|
| (A) The mix between Rules | (I) Specific Statements |
| (B) Rules | (II) Routine steps on how to carry out activities |
| (C) Procedure | (III) Provide the Broad Contours of business |
| (D) Strategy | (IV) Desired Future Position |

Choose the **correct** answer from the options given below:

- (a) (A)-(II), (B)-(III), (C)-(IV), (D)-(I)
 (b) (A)-(III), (B)-(I), (C)-(IV), (D)-(II)
 (c) (A)-(IV), (B)-(I), (C)-(II), (D)-(III)
 (d) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)

37. Match List - I with List - II.

- | List - I | List - II |
|------------------------------------|--|
| (A) Unity of Command | (I) Study of movements |
| (B) Unity of Direction | (II) Differentiates between efficient and inefficient workers. |
| (C) Motion Study | (III) One subordinate one superior |
| (D) Differential piece wage system | (IV) One head and one plan |

Choose the **correct** answer from the options given below:

- (a) (A)-(I), (B)-(II), (C)-(IV), (D)-(III)
 (b) (A)-(III), (B)-(IV), (C)-(I), (D)-(II)
 (c) (A)-(II), (B)-(III), (C)-(I), (D)-(IV)
 (d) (A)-(II), (B)-(IV), (C)-(III), (D)-(I)

38. Identify the true statement out of the below given statements:

- (a) Trade mark is a registered brand
 (b) Trademark is an un-registered brand
 (c) Brand and trade mark are same
 (d) Brand is an owned trademark

39. Identify the factor which does not affect the financing decision of an organisation:

- (a) Control Consideration
 (b) Risk
 (c) Investment Criteria involved
 (d) Cost

40. Identify the correct statements in the context of financial decision:

- (A) Financial decision includes investment decision, financing decision and dividend decision
 (B) Short term investment decision is also known as 'capital budgeting decision'
 (C) Short term investment decision is also known as 'Working capital decision'
 (D) Investment decision includes raising funds from equity or debt
 (E) Investment decision includes short term and long term investment decision

Choose the **correct** answer from the options given below:

- (a) (A), (C) and (E) only (b) (A), (B) and (C) only
 (c) (C), (D) and (E) only (d) (B), (C) and (D) only

DIRECTIONS (Qs. 41-45): Read the following case study and attempt question number.

Mr. Rahul, a management graduate, is working in the XYZ Rubber Ltd. for the last 10 years. His performance is always consistent and many times he received 'Best Employee' Award from the management. But in the last two years, it is observed that his performance is gradually getting low. The department tried to identify his reasons for low performance but did not get much information from him. But in recent months some employees had shown disappointment on present leadership, pay system and communication. May be it was the reason for low performance of Mr. Rahul.

41. Mr. Rahul's problems must be looked after by which department?

- (a) Finance Department
 (b) Marketing Department
 (c) HR Department
 (d) Production and Operation Department

42. Which of the following is wrong?

- (a) Participative leader gives order and expect his subordinates to obey that order
 (b) Democratic and Participative leader are same
 (c) Laissez fair leader does not believe in the use of power unless it is absolute essential
 (d) Leadership play vital role in organisational success

43. Identify the incentive used to motivate Mr. Rahul.

- (a) Employee Recognition Programmes
 (b) Bonus
 (c) Profit Sharing
 (d) Perquisites

44. Identify the factor which was not responsible for the gradual decrease in the performance of Mr. Rahul.

- (a) Leadership (b) Compensation
 (c) Communication (d) Poor Supervision

45. Identify the process from the case study:

- (a) Supervision (b) Leadership
 (c) Communication (d) Motivation

DIRECTIONS (Qs. 46-50): Read the following case study and attempt question number.

Mr Vinay is a production Manager in a company. Being a Manager he seeks planned results from his subordinates so he sets the criteria against which actual performance of subordinates will be measured. He also conveys these criteria to his subordinates.

He knows that it is neither economical, nor easy to keep a check on each and every activity. He also finds that if he tries to control everything it will result in controlling nothing.

After these two considerations he gives main focus of his effort on comparatively more important tasks and finally he gets planned results.

46. Identify the Functions of management which is being discussed in the above case study.

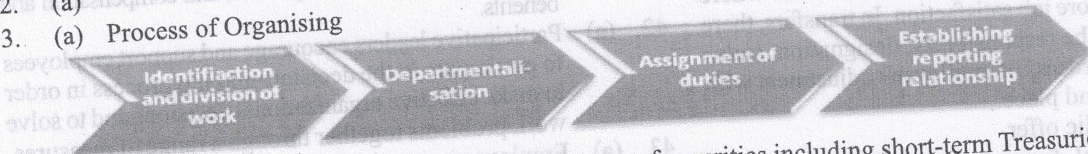
- (a) Planning (b) Organising
 (c) Controlling (d) Staffing

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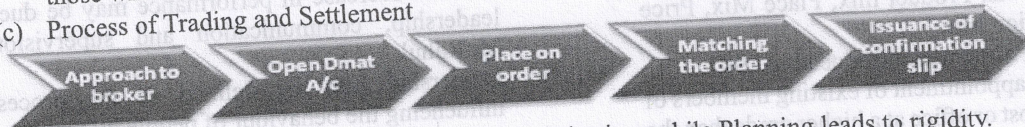
47. Identify the level of Management at which Mr. Vinay is working:
- Top Level Management
 - Middle Level Management
 - First line Management
 - Lower Level Management
48. Name the step of Management Function which is discussed in given phrase "he sets criteria"?
- Measurement of Actual Performance
 - Analysing Deviations
 - Comparing actual performance with standards
 - Setting Performance Standards
49. Which point has been indicated in the phrase "it is neither economical, nor easy to keep a check on each and every activity"?
- Management by Exception
 - Taking Corrective Action
 - Critical Point Control
 - Measurement of Actual Performance
50. After these two considerations he gives main focus of his effort on comparatively more important tasks and finally he gets planned results.
- "If he tries to control everything, it will result in controlling nothing". Identify the point which is underlined in the above phrase.
- Management by Exception
 - Talking Corrective Action
 - Comparing Actual Performance with Standards
 - Critical Point Control

Hints & Explanations

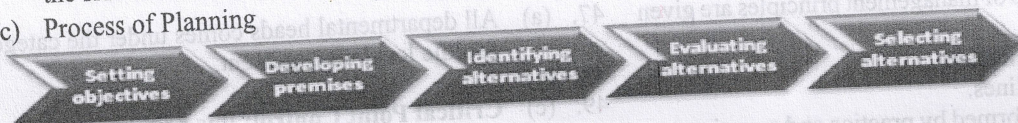
1. (a) Knowledge, Attitude, Skill, and Habits (KASH) – matters most for success in sales.
2. (a)
3. (a) Process of Organising



4. (c) The money market is composed of several types of securities including short-term Treasuries (e.g. T-bills), certificates of deposit (CDs), commercial paper, repurchase agreements (repos), and money market mutual funds that invest in these instruments.
5. (a) Middle management includes all of the management positions in a hierarchical company structure underneath the top management positions and above the non-management workers. These managers generally answer to top management, those who have executive titles such as CEO or CFO.
6. (c) Process of Trading and Settlement

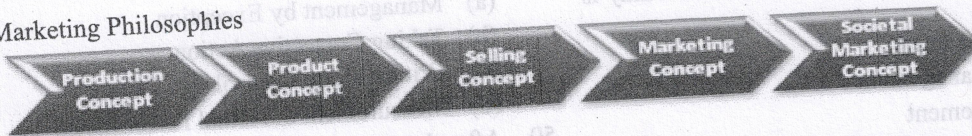


7. (a) Planning does not lead to flexibility in the organisation, while Planning leads to rigidity.
8. (d) Accountability is derived from responsibility placed by the superior.
9. (b) Management is an intangible force, benefit of which could only be felt in an organisation. Management is multi-dimensional. Management is also a dynamic function, works in a changing environment.
10. (b) Some main factors include the firm's cost of capital, nature, size, capital markets condition, debt-to-equity ratio, and ownership. However, these factors might help to choose an appropriate capital structure for a business, but checking all the side factors can help adopt more appropriate and accurate adaption.
11. (c) Process of Planning



12. (b) Brand Name, Trade Mark, Brand Mark and Brand are related terms to Branding.
13. (d) The application of principles of management is contingent as it depends upon the prevailing situation at a particular point in time.
14. (d) F W Taylor was a mechanical engineer by profession.
15. (a) Understand each term of List II to attempt this question.
16. (a) A consumer is defined as any person who purchases goods or services for personal, household, or commercial use. Consumers can file complaints in consumer court if they believe that they have been cheated, defrauded, or suffered any kind of loss due to the goods or services they have purchased.
17. (c) Employment/unemployment, Income, Inflation, Interest rates, Tax rates, Currency exchange rate, Saving rates, Consumer confidence levels etc

18. (c) Marketing Philosophies



19. (d) Process of selection



20. (b) Learn the meaning of each term given in List I to attempt this question.
21. (b)
22. (a) Art is purely a personalized application of knowledge to a particular field. Similarly getting the work done by the managers is purely personalised application.
23. (b) Learn the meaning of each type of test given in List II to attempt this question.
24. (b) Departmentalisation is second step of organising.
25. (a) Learn the meaning of each term given in List I to attempt this question.
26. (b) Transfer is a process of placing employees in positions where they are likely to be more effective or where they are to get more job satisfaction. In transfers, there is no change in the responsibility, designation, status or salary. It is a process of employee's adjustment with the work, time and place.
27. (b) IPO - Initial public offer
28. (b) Under Functional foremanship technique, Factory working is divided among Planning Incharge and Production Incharge.
29. (c)
30. (c) Learn the meaning of each type of plan given in List I to attempt this question.
31. (b) Marketing Mix, viz. Product mix, Place Mix, Price Mix and Promotion Mix.
32. (b) New Economic Policy was introduced in 1991.
33. (a) Promotion is the appointment of existing members of staff to another post or office at a higher grade than the one previously held. This may be the result of either a successful application for an advertised vacancy, or, where appropriate, personal promotion.
34. (b) All in all, an organisation structure is a framework within which managerial and operating tasks are performed. This is because it defines the extent of management or the span of management.
35. (a) The main features of management principles are given below:
- Universal application.
 - General guidelines.
 - Evolutionary/formed by practice and experiments.
 - Flexibility.
 - Behavioral in nature.
 - Based on cause and effect relationship.
 - Contingent.
36. (c) Learn the meaning of each term given in List II to attempt this question.
37. (b) Learn the meaning of each principle of management given in List I to attempt this question.
38. (a) When a brand is registered and given legal protection, then it becomes a trademark.
39. (c) An Investment criteria is factor affecting Investing decision.
40. (a) Financial decisions involve three type of decisions viz. Investment decision, Financing decision and Dividend decision. Investment decision involves two decisions viz. Capital Budgeting (Long-term) & working capital decision (Short-term).
41. (c) Main functions of HR include recruitment and selection, training and development, employee relations, performance management, administration and payroll systems, employment law and compliance, and compensation and benefits.
42. (a) Participative leaders encourage and support employees to participate in the decision-making process in order to make effective organizational decisions and to solve work problems together through a range of measures.
43. (a) Employee recognition acknowledges the hard work and accomplishments of the individuals and teams within your organization. Employee recognition programs enable leaders to recognize members of their team, peers to recognize one another, as well as cross-team recognition.
44. (b) Gradual decrease in performance may be due poor leadership, communication and supervision by Mr.Rahul.
45. (b) Leadership may be defined as the process of influencing the behaviour of people by making them strive voluntarily towards the achievement of goals.
46. (c) Controlling can be defined as that function of management which helps to seek planned results from the subordinates, managers and at all levels of an organization. The controlling function helps in measuring the progress towards the organizational goals & brings any deviations, & indicates corrective action.
47. (a) All departmental heads comes under the category of Middle level management.
48. (a)
49. (c) **Critical Point Control:** It is neither economical nor easy to keep a check on each and every activity in an organisation. Control should, therefore, focus on key result areas (KRAs) which are critical to the success of an organisation. These KRAs are set as the critical points.
50. (a) An effort to control everything may end up in 'controlling nothing' is in regard with the principle of 'Management by Exception'. It stresses on the fact that everything cannot be effectively controlled.