

CUET 2025 Business Studies 14 May Question Paper With Solutions

Time Allowed :1 Hour	Maximum Marks :250	Total Questions :50
----------------------	--------------------	---------------------

General Instructions

Read the following instructions very carefully and strictly follow them:

1. The test is of 1 hour duration.
2. The question paper consists of 50 questions. The maximum marks are 250.
3. 5 marks are awarded for every correct answer, and 1 mark is deducted for every wrong answer.

Direction (Q1-Q5): Read the passage given below and answer question

Sunrise Solar Solutions is experiencing rapid growth in the demand for its residential solar panel installations in Gurugram. To manage this expansion, the CEO, Mr. Sharma, held a meeting with his senior managers. During the meeting, Mr. Sharma outlined the company's goal of increasing installation capacity by 25% over the next fiscal year to capitalize on the booming market. Following this, the Operations Manager, Ms. Verma, began grouping the increasing number of installation teams geographically and assigning specific service areas to each team to ensure efficient coverage. The HR Manager, Mr. Khan, was tasked with determining the number of new technicians and support staff required and developing a recruitment drive to fill these positions. As the new teams were onboarded, the Installation Supervisor, Mr. Singh, personally explained the new installation protocols and provided hands-on training to ensure quality and safety. Finally, the Finance Manager, Ms. Das, implemented a system to track the actual number of installations against the set targets and identify any deviations requiring corrective action.

1. The action taken by Mr. Sharma as described in, "Mr. Sharma outlined the company's goal of increasing installation capacity by 25% over the next fiscal year,"

best illustrates which function of management?

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

Correct Answer: (c) Planning

Solution:

Planning is the foundational function of management where objectives are set and strategies are devised to achieve them. Mr. Sharma's outlining of a specific, measurable goal—raising installation capacity by 25%—demonstrates foresight and preparation for future growth. This involves forecasting, setting priorities, and allocating resources effectively. Without planning, the organization would lack clear direction, which could lead to inefficiency and missed opportunities.

Quick Tip

Planning involves setting clear, measurable goals and preparing strategies to achieve them, laying the roadmap for organizational success.

2. The action undertaken by Ms. Verma as described in, "began grouping the increasing number of installation teams geographically and assigning specific service areas to each team," best represents which function of management?

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

Correct Answer: (b) Organising

Solution:

Organising is the process of arranging resources and tasks to achieve the company's objectives efficiently. By grouping teams geographically and assigning them specific service

areas, Ms. Verma is structuring the workforce to optimize coverage, improve communication, and minimize overlap. This clear division of labor and resource allocation enhances coordination and accountability within the organization.

Quick Tip

Organising means structuring resources and teams effectively to ensure smooth work-flow and clear responsibilities.

3. The responsibility given to Mr. Khan as described in, "was tasked with determining the number of new technicians and support staff required and developing a recruitment drive," primarily relates to which function of management?

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

Correct Answer: (d) Staffing

Solution:

Staffing focuses on acquiring, training, and maintaining the human resources necessary for organizational success. Mr. Khan's role in assessing personnel needs and initiating recruitment is a classic example of staffing. This function ensures that the organization has the right people, with appropriate skills, in the right numbers to execute its plans.

Quick Tip

Staffing ensures the organization has the right talent at the right time to meet its objectives effectively.

4. The activity performed by Mr. Singh as described in, "personally explained the new installation protocols and provided hands-on training," best exemplifies which function of management?

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

Correct Answer: (b) Directing

Solution:

Directing involves leading, motivating, and communicating with employees to achieve organizational goals. Mr. Singh's direct involvement in explaining protocols and training staff exemplifies effective leadership and supervision, crucial components of directing. This hands-on approach helps ensure that employees understand expectations and have the skills needed for quality performance.

Quick Tip

Directing = Leading, motivating, and communicating to guide employees toward achieving objectives.

5. The system implemented by Ms. Das as described in, "implemented a system to track the actual number of installations against the set targets and identify any deviations," best illustrates which function of management?

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

Correct Answer: (c) Controlling

Solution:

Controlling is the function of management that monitors performance, compares actual results with standards, and takes corrective actions when necessary. Ms. Das's system for tracking installations versus targets enables timely identification of gaps or deviations,

allowing management to address issues proactively and maintain alignment with goals. Effective control ensures organizational efficiency and goal achievement.

Quick Tip

Controlling = Monitoring progress, comparing it to plans, and correcting deviations to stay on track.

6. Match the features of planning in List I with their descriptions in List II.

List I	List II
A. Planning is Pervasive	I. It is required at all levels of management and in all departments of the organisation.
B. Planning is Continuous	II. It involves looking ahead and preparing for future events to the best advantage of an organisation.
C. Planning is a Primary Function	III. It lays down the base for other managerial functions.
D. Planning is Futuristic	IV. Plans are prepared for a specific period, and at the end of that period, new plans are drawn based on new requirements and future conditions.

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

Correct Answer: (b) A-I, B-IV, C-III, D-II

Solution:

A - I: Planning is **pervasive** because it is required at all levels of management—from top executives to supervisors—and in all departments to ensure coordinated efforts.

B - IV: Planning is **continuous** as it is an ongoing process that needs regular updating to reflect changes in the environment and organizational goals.

C - III: Planning is a **primary function** since it lays the foundation for all other management functions such as organizing, staffing, directing, and controlling.

D - II: Planning is **futuristic** because it anticipates future conditions and prepares the organization to face challenges and seize opportunities.

Quick Tip

Pervasive = Planning at all levels; Continuous = Always updating; Primary = Basis for all functions; Futuristic = Looking ahead.

7. Arrange the first five steps involved in the staffing process in sequence.

- (A) Recruitment
- (B) Training and development
- (C) Placement and Orientation
- (D) Estimating the manpower requirements
- (E) Selection
- (a) D, A, E, C, B
- (b) A, B, E, C, D
- (c) A, C, D, E, B
- (d) A, D, E, C, B

Correct Answer: (a) D, A, E, C, B

Solution:

The initial staffing steps ensure an organized approach to human resource management: 1.

Estimating manpower requirements (D): Identify the quantity and types of employees needed based on organizational goals. 2. **Recruitment (A):** Attract potential candidates through various sourcing channels. 3. **Selection (E):** Evaluate and pick the most suitable candidates. 4. **Placement and Orientation (C):** Assign selected candidates to jobs and familiarize them with the company culture and processes. 5. **Training and Development (B):** Enhance skills and prepare employees for current and future roles.

Quick Tip

Remember ERSPT: Estimate, Recruit, Select, Place, Train—the core steps to effective staffing.

8. Match List I with List II

	List I		List II
A.	Right to safety	I.	Freedom to access variety of products
B.	Right to be choose/ assured	II.	Get remedy/relief against unfair trade practices
C.	Right to be informed	III.	Complete details of the product/service
D.	Right to seek redressal	IV.	Protection against goods and services

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

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

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

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

Correct Answer: (d) A-IV, B-I, C-III, D-II

Solution:

A - IV: Right to Safety protects consumers from hazardous goods and services that may harm their health or life.

B - I: Right to Choose ensures consumers can access a variety of goods and services at competitive prices.

C - III: Right to be Informed mandates that consumers receive full disclosure about products, including ingredients, usage, and risks.

D - II: Right to Seek Redressal provides consumers with mechanisms to get remedies against unfair trade practices or defects.

Quick Tip

Safety = Protection from harm; Choice = Variety and competition; Informed = Complete product info; Redressal = Consumer remedies.

9. Which of the following is a principle by Fayol?

(a) Cooperation, not Individualism

(b) Scalar Chain

(c) Functional Foremanship

(d) Method Study

Correct Answer: (b) Scalar Chain

Solution: Scalar chain is one of Fayol's 14 Principles of Management. It establishes a clear hierarchical path for communication within the organization. The other options are related to Taylor's scientific management principles.

Quick Tip

Fayol = Scalar Chain (hierarchy of communication).

10. Which of the following statements correctly highlight the difference between delegation and decentralisation?

(A) Delegation is a necessary act arising from division of work, while decentralisation is an optional policy decision.

(B) In delegation, authority is limited between a superior and subordinate, whereas decentralisation distributes authority to the lowest levels.

(C) Delegation gives more freedom of action to subordinates than decentralisation.

(D) Delegation aims to enhance the role of subordinates, whereas decentralisation aims to reduce the workload of the superior. Choose the correct option:

(a) (A) only

(b) (B), (C), (D) only

(c) (A) and (B) only

(d) (A), (C), and (D) only

Correct Answer: (c) (A) and (B) only

Solution:

(A) Correct: Delegation arises naturally from the division of work and is a process where a superior assigns tasks to a subordinate. Decentralization is a broader policy decision involving systematic distribution of authority across various levels.

(B) Correct: Delegation is a direct superior-subordinate relationship, whereas decentralization disperses authority to multiple levels or units.

(C) Incorrect: Delegation offers less freedom as the superior retains ultimate control, whereas decentralization grants greater autonomy to subordinates.

(D) Incorrect: Delegation primarily reduces the workload of the superior, while decentralization aims at empowering subordinates and enhancing organizational flexibility.

Quick Tip

Delegation = Assigning tasks with retained control; Decentralisation = Spreading authority for autonomy across levels.
