



50 Must Solve Decision Making Sets





SET 1

Answer question nos. 1 and 2 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 some 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 would hope that sufficient action be taken by the Disciplinary Committee (on which committee both of the above are members) so that this problem will be remedied.

Sincerely,

Arvind Singh

1. Which of the following is an essential flaw that the writer of the letter overlooked? (1 Mark)

- 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.

2. If both the nominations are confirmed, which of the following, exhaustively and reasonably, describes actions that may occur in the near future? (1 Mark)

- A. Arvind resigns his membership.
- B. Either Rao or Ajit resigns his membership.
- C. Ajit resigns his committee 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 question nos. 3 to 5 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, would



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 were 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 had looked forward to purchasing Limo were becoming increasingly unhappy to the non-availability of Limo in the India. Ginger's dealers were worried about loss of business from the customers who might switch to other cars.

3. Statement I: In the Chinese market, Baft, and Hebe, are competing models in Limo's target market. Due to increase in sales 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? (1 Mark)

- A. I alone
- B. II alone
- C. Either I or II
- D. Neither I nor II
- E. I and II together

4. 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: (1 Mark)

- A. Suggest to customers to wait.
- B. Suggest to customers to consider purchasing any of the other PAC's models available in showrooms, with a substantial discount along with a gift.
- C. Suggest to 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 to the top management of PAC to manufacture essential components in either India or China.

5. 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 maximize his cash flow, Mr. Ahmed should (1 Mark)

- 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 question nos. 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 Jamshedpur railway station is five minutes drive, and her destination at Delhi is 90 minutes and 30 minutes drive from airport and 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 minimize the total time out of Jamshedpur, the best option for her, from the options given below, is: (1.5 Marks)

- A. AI 9810 and return by IT 3347.
- B. AI 9810 and return by train number 12802.
- C. IT 3348 and return by AI 9809.
- D. Train number 12443 and return by train number 12444.
- E. 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 minimize the total time out of Jamshedpur, the best option, from the options given below, for her among the following is to go by : (1.5 Marks)

- A. Train 12443 and return by Train 12444
- B. Train 12801 and return by Train 12802
- C. AI 9810 and return by AI 9809
- D. AI 810 and return by AI 9809
- E. 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 minimize the total time out of Jamshedpur. (1.5 Marks)

- 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
- E. Go by AI 9810 and return by AI 9809

9. If Tina decides to minimize the in-between waiting period, the option that she should choose from the options given below, will be:

(1.5 Marks)

- 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 question nos. 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 BAG were hired personally by Mr. Teknikwala, the owner of Teknik, who wanted this core group of experts to help his organization 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. At most 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 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 guidance of BAG and due to Mr. Teknikwala's vision. Given its reputation in the industry, many people wanted to start their careers in BAG. Often young MBAs, fresh out of business schools 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. Teknikwala passed away. She preferred that BAG develop new ideas and therefore inducted freshly 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 IT team, Mr. Shiv, a newly recruited MBA, was made in-charge. For the older members it was a shock. 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 the need the need to replace the old legacy systems with latest ERP system integrating all the units of Teknik. This was heavily influenced by her experience in the previous 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 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 spect 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 earlier decided 14 months. Next day, Mr. Shiv presented the revised project milestone to 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 troubleshooting and internal advisory work. Mr. Shiv also pointed out that anyone whose performance did not meet the expectations would be subjected to formal disciplinary action.

The meeting ended without any member commenting on Shiv's ideas, although Mr. Shiv 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 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? (1 Mark)
- 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 customization 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? (1 Mark)

- 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 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. (1.5 Marks)

- 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 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 would be socialized in outbound 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? (1 Mark)

- 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 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 BAG group would have been to: (1 Mark)

- 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 performance of 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 organization requires creation of a team that has:

(1 Mark)

- A. a mixture of experienced employees and newly graduated 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 organization
- 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 question nos. 16 to 18 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 table below.



Name

Age Educational Qualification Experience Expected

Salary Remarks

Sunder 32 Post Graduate Seven 18,000

years of per

driving month

experience 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 8,000

year 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 20,000

years 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 15,000

20 per

years 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 is as good as Ram's.

Chethan 38 Standard XII 10 12,000

years 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

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ensure that the selection of a new driver does not lead to discontent among the senior employees of the firm.

16. From his perspective, and taking into account the family's concerns, Mr. Dev would like to have (1 Mark)

- A. Chethan
- B. Chintan
- C. Bal Singh
- D. Mani
- E. Sunder

17. Who among the following five candidates is most likely to be rejected by the GM (HR)? (1 Mark)

- A. Chethan
- B. Chintan
- C. Bal Singh
- D. Mani
- E. Sunder

18. 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.

I. Dev's most and least preferred candidates: Bal Singh and Chethan respectively

II. Family members' most and least preferred candidates: Bal Singh and Chintan respectively

III. 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? (1.5 Marks)

- A. Option I
- B. Option II
- C. Options I and II
- D. Options II and III
- E. Options I, II and III

Answer question nos. 19 – 20 on the basis of the information given in the following case.

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Vivekanada Memorial Elocution Competition (VMEC) in Viswavijay Public School (VPS) has a 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.

19. 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 option is the best one that she should exercise? (1 Mark)

- A. Appoint a committee of teachers, parents and management representatives to come up with possible suggestions within a deadline
- B. Introduce separate music and dance competitions in same format as the elocution competition.
- C. Exercise the authority of the principal because she wants to retain all traditions.
- 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. Appropriately compensate those teachers who volunteer to come for the extra day

20. 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 competitions in 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 benefits VPS the most. He would recommend: (1 Mark)

- 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 the questions from 21 to 23 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:

Morals: society's code for individual survival

Ethics: An Individual's code for society 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 repairs, building extensions to be done. His just prices had made him a preferred contractor for most of the clients who preferred him over other civil contractors. Always he followed the principle that 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 he would be able 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."

21. Naresh decided to work as a government contractor. Following Srikumar's advice, he inflated the prices so that he could pay the bribes out the bills received. (1.5 Mark)

- 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.

22. 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 bought 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 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: (1.5 Marks)

- 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.

23. 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 pressurized 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: (2 Marks)

- 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 question nos. 24 – 25 on the basis of the information given in the following case.

Saral Co. is operating in seven north-eastern states of the country. The organization 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 during the beginning of this month and challenged the organization'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.

24. 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? (1Mark)

- 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.

25. The top management refused to implement the proposal of new GM from the beginning of next month. Which of the following could be the most justified reason for the management's refusal? (1Mark)

- 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.
- D. The GM is new to the organization and he would require some time to implement the new plan.
- E. The top management would need time to deliberate and get consensus.

SET 2

1. Over the last years, Bank of Bharat has seen the number of its retail customer accounts drop by over 40 percent. Over the same period, the share price of Bank of Bharat has increased by more than 80 percent. This amazed a few investors, who believe that a bank's share price should drop if its number of customers drops. Which of the following, if true over the last years, best accounts for the observed movement in the price of Bank of Bharat's equity shares?

- A. Two years ago Securities and exchange Board started an investigation on the bank for accounting irregularities, but last year the company was cleared of all charges.
- B. The bank recently implemented a highly publicized program for free home loans.
- C. The bank has been switching its customer base from retail customers to commercial customers, which now accounts for over 75 percent of the bank's revenues.
- D. There have been many new banks, which have entered retail banking business over the last five years .
- E. The bank is known to be the best playmate in the industry.



2. Gastric bypass surgery has been shown to be effective at helping extremely obese people lose Weight. Some patients have lost as much as 300 pounds after undergoing the surgery, thereby substantially prolonging their lives. Despite the success of the treatment, most doctors have not embraced the surgery. Which of the following statements, if true, best accounts for the lukewarm reaction of the medical community to gastric bypass surgery?

- A. Gastric bypass surgery carries a high risk of serious complications, including death.
- B. Obesity is one of the leading contributors to heart disease and hypertension, two leading causes of death.
- C. Incidences of obesity among the Indian urban middle class population have been increasing consistently for the last three decades.
- D. Many patients report that losing weight through diets is ineffective, since they usually gain the weight back within six months.
- E. Most health insurance plans will cover the cost of gastric bypass surgery (or morbidly obese patients at high risk of heart disease

3. Students from four sections of a class accompanied by respective class teachers planned to go for a field trip. There were nineteen people in all. However, on the scheduled day one of the four teachers and few students could not join the rest. Given below are some statement about the group of people who ultimately left for the trip.

- I. Section A had the largest contingent.
- II. Section B had fewer students than Section A
- III. Section C's contingent was smaller than Section B.
- IV. Section D had the smallest contingent
- V. The product of the number of the students from each section is a multiple of 10.
- VI. The number of students from section C is more than 2
- VII. The product of the number of students from each section is a multiple of 24.
- VIII. The largest contingent has more than 4 students.
- IX. Each section contributed different number of students

The statement that taken together can give us the exact number of students from each section:

- A. I, II, III, IV, VI
- B. I, VI, VIII, IX
- C. I, II, III, IV, V, VI



D. I, II, III, IV, VI, VII

E. I, IV, VI, VII, IX

4. There is a lot of interest in the first five ranks for Class XI students. One student guessed the rank order as Ankita, Bhagyashree, Chanchal, Devroopa and Esha. Later upon announcement of the result, it was found that not only did he get each student out off her true position, none of the students in his ranking correctly followed her immediate predecessor. Another student guessed Devroopa, Ankita, Esha, Chanchal and Bhagyashree. Even his guess was wrong. It was found that he had got two positions correct, and two students in his ranking correctly followed their immediate predecessors. Which of the following is true about the correct rank order?

- A. Ankita got the third position
- B. Bhagyashree got the fourth position
- C. Chanchal got the second position
- D. Devroop stood first
- E. Esha got the fourth position

Answers Questions 5 to 7 based on the information given below.

It was the end of the performance review cycle for the year 2012 when you asked your subordinates about any problems they were facing. Natrajan told you that an important member of his team, Vardarajan, who had also won the best performance award for the year 2011, was not taking interest in work. Despite Natrajan's counseling, no change was noticed in Vardarajan, rather his attitude deteriorated. You had also received such information from other employees. You had not interfered hoping that Natrajan, an experienced hand, would be able to solve the problem. But now that Natrajan himself brought this to your notice, you decided to call Vardarajan and counsel him.

5. Which of the following could be the most unlikely reason for Vardarajan's declining involvement in workplace?

- A. Vardarajan does not find the work challenging enough as he has already achieved the best performance award.



B. Others in the organization have been trying to pull him down, since he was declared best performer.

C. Vardarajan was not promoted after his superlative performance, while another colleague, Sudararajan, was promoted although he was not as good a performer as Vardarajan.

D. After putting in lots of effort for the superlative performance, Vardarajan felt burnt out.

E. Vardarajan was appreciated by his bosses for achievement last year.

6. Vardarajan did not find his work challenging enough, given below are some steps that could be taken to motivate him:

1. Give Vardarajan a more challenging assignment
2. Transfer Vardarajan from Projects department to Training department
3. Ask him to take a vacation for two months
4. Send him for further training on decision making under stress

Which of the following combinations would be the most appropriate?

- A. 1, 2, 3
- B. 1, 3, 4
- C. 1, 4
- D. 2, 3, 4
- E. 1, 2, 3, 4

7. You overheard a conversation between Vardarajan and his colleague over an official dinner. He expressed his unhappiness about the fact that good performers were not given their due credit while poor performers were promoted faster. If Vardarajan is right, which of the following steps would help in creating better organization?



- A. Promote Vardarajan with immediate effect.
- B. Ensure that performance is objectively and transparently assessed.
- C. Give another assignment to Vardarajan.
- D. Give higher salary to Vardarajan.
- E. Fire Vardarajan.

Answers Questions 8 and 9 based on the information given below.

Island of growth was witnessing a rapid increase in GDP. Its citizen had become wealthier in recent times, and there had been a considerable improvement in the standards of living. However, this rapid growth had increased and nepotism in the Island. In the recent times, a fear had gripped the population that corruption would destroy the inclusive nature of the society and hinder economic progress. However, most citizens had kept quite because:-

- a. They had benefitted from the corruption indirectly, if not directly.
- b. They did not have time and energy to protest.
- c. They did not have courage to rise against the established power centers.

There was a need to remove corruption but no one was willing to stick his neck out. Many politicians, bureaucrats and private organization were corrupt. Media and intellectuals kept quite as they benefitted indirectly from corruption. The common man was sacred of state's retribution and the youngsters feared insecure future.

Against this background, an old, unmarried and illiterate of high moral and ethical authority, Shambhu, decided to take on the issue of corruption. He sat on a hunger strike in the heart of the capital city of the Island. Shambhu demanded that the Government should constitute new laws to punish the corrupt across all walks of life, Media and the citizens of the island gave massive support to Shambhu.

Buckling under the pressure, the Government promised to accept Shambhu's demands. He ended the hunger strike immediately following the Government's announcement.



Shambhu became the darling of the media. He used this opportunity as a platform to spread the message that only citizens with an unblemished character should be allowed to hold a public office.

A few months later, it was found that the government had not fulfilled any of its promises made to Shambhu. Infuriated, he was thinking of launching another inland-wide protest. However, this time, he sensed that not many people and media person were willing to support him.

8. Read the following statements:

1. People's latent anger against corruption
2. Shambhu's moral courage
3. Hungry media looking to raise issues
4. Raising income level

In your opinion, which combination of the above statements is the most unlikely reason for Shambhu's initial success?

- A. 1, 2, 4
- B. 3, 4
- C. 1,3
- D. 1, 3, 4
- E. 1, 2, 3, 4

9. Which of the following could be the most likely reason for decline in public support for Shambhu?

- A. The common man had become sick and tired of Government's inaction against rising corruption.
- B. Shambhu was old and he lacked energy to garner the same support that he enjoyed from the media and the public in the initial stages.



C. The general public may have realized that Shambhu was focusing too much on “indirect involvement” in past incidences of corruption. Common men found it difficult to live up to the high standards set by Shambhu

D. Shambhu’s colleagues were misleading him.

E. Shambhu came from a village, while most of his supporters were city dwellers.

Answers Questions 10 to 12 based on the information given below.

Head of a nation in the Nordic region was struggling with the slowing economy on one hand and restless citizens on the other. In addition, his opponents were doing everything possible to discredit his government. As a famous saying goes, ‘There is no smoke without a fire’, it cannot be said that the incumbent government was doing all the right things. There were reports of acts of omission and commission coming out every other day.

Distribution of public resources for private businesses and for private consumption had created a lot of problems for the government, it was being alleged that the government has given the right to exploit these public resources at throw-away prices to some private companies. Some of the citizens were questioning the government policies in the Supreme Court of the country as well as the media. In the midst of all this, the head of the nation called his cabinet colleagues for a meeting on the recent happenings in the country.

He asked his minister of water resources about the bidding process for allocation of rights to setup mini hydel-power plants. To this, the minister replied that his ministry had followed the laid out policies of the government. Water resources were allocated to those private companies that bid the highest and were technically competent. The minister continued that later on some new companies had shown interest and they were allowed to enter the sector as per the guidelines of the Government. This, the minister added, would facilitate proper utilization of water resources and provide better services to the citizens. The new companies were allocated the rights at the price set by the highest bidders in the previous round of bidding. After hearing this, the head of the nation replied that one would expect the later allocations to be done after a fresh round of bidding. The minister of water resources replied that his ministry had taken



permissions from the concerned ministries before allocating the resources to the new companies.

10. Media reports suggested that the minister of water resources had deliberately allocated the water resources at old prices to the new companies, and in return some received kickbacks. However, the minister denied these charges. His counter argument was that he followed the stated policies of the Government and it is very difficult to price a scarce resource. He also said that the loss that the media is talking about is notional and in reality the Government and the citizens have gained by the entry of new players. Which of the following is the most appropriate inference?

- A. If benefit to the citizens is higher than notional losses then it is not unethical.
- B. If benefit to the citizens is lower than notional losses then it is unethical.
- C. If benefit to the citizens is higher than actual losses then it is not unethical.
- D. If benefit to the citizens is lower than actual losses then it is unethical
- E. All of the above A, B, C and D are inappropriate.

11. Subsequently, the minister questioned the role of the media in the Whole affair. He said that the media cannot act like a reporter, prosecutor and judge at the same time. Mr. Swamy, an independent observer, was asked about appropriateness of the minister's opinion. What should be Mr. Swamy's reply?

- A. Media has been rightly accused by the minister.
- B. Minister statement may be factually incorrect.
- C. Media has rightly accused he minister.
- D. Media has wrongly accused the minister.
- E. None of above

12. Looking at the public unrest and discontent, the Government's anti-corruption branch was entrusted with the task of investigating the matter. Within a week's time the branch charge sheeted top corporate managers and the minister for wrong doings. Mr. Swamy was again asked to identify the guilty. Who should Mr. Swamy pick?



- A. Only corporate managers.
- B. Only the minister.
- C. Only the Head of the nation.
- D. All of the above
- E. None of the above.

Answers Questions 13 to 16 based on the information given below.

Prof. Vijya, the chairperson of the Faculty Academic Committee (FAC), was trying to understand the implications of decisions taken by the Student Placement Committee (SPC) on placement issues.

It was alleged that Biswajit, a final year student, inflated his grades in his bio-data that was sent to the recruiters. The President of SPC requested the FAC to debar Biswajit from the campus recruitment process. When the matter was brought up for discussion in FAC, lone of the professors remarked that Biswajit too should be allowed to defend himself. When Biswajit arrived for the meeting the situation became even more challenging.

Biswajit raised the issue that many other students who had misrepresented grades to get coveted jobs had gone scot-free. He alleged that these students were close to the Presidents SPC and therefore, no action was taken against them. He stated that somebody has deliberately manipulated his grades in the bio-data.

This allegation confused the members and it was decided to adjourn' the meeting. Vijya was to decide on the next course of action.

13. If you were what in your opinion would be the most appropriate action?

- A. Debar Biswajit and the President of SPC from the placement process as they have failed to uphold the rules of the SPC.
- B. Suspend Biswajit and the President of SPC.
- C. Constitute a fact finding committee to investigate the matter and ask them to submit a report to you within a week's time.
- D. Apprise the corporate recruiters of the situation and assure them that corrective



actions will be taken.

E. Both options C and D.

14. It was found that a large section of the students have been indulging in such practices. Unfortunately, the HR manager of a much coveted campus recruiter, who is an alumnus of the college, came to know about this. Considering yourself in the position of that HR manager, what would be your reaction?

- A. Express your displeasure and stop any further recruitment from the college.
- B. Talk to your contact in the college and try to find out the truth.
- C. Do not change anything and continue the process as if nothing has happened.
- D. Ask the college to send a fresh set of bio-data as you wanted verified grades of the students.
- E. Ask the SPC to resend the details of the short listed students including their verified grades.

15. As a potential entrant you are having an informal Facebook chat with one of the college seniors. You wanted to know about the pay packages of the graduating students. The senior replied that one will be able to understand this only after joining the college. He did not reveal any information but suggested that it is not very difficult to get a high salary job as you have already started networking. He also cautioned that you should not believe any rumors and you should directly contact the student body for any further information. What will be your most appropriate choice for seeking further information about placements?

- A. This conversation will increase your interest and you will network more with the students of the college for increasing your chances of getting a high salary job.
- B. You will contact the college authorities to get more insights about the placement process.
- C. You will start networking with the HR managers to understand their requirements.
- D. You will try to contact the President of SPC
- E. You will contact your other Facebook friends to find out about the placement activities at the college.



16. Vijya found that there were many such cases of grade inflation. She was giving final touches to the report when her attention was diverted by a phone call on her personal cell phone. It was from an unlisted number. The caller conveyed to her that it will be in her interest as well as in the interest of the college if the report is not presented to the Director. The caller also told her these findings will change nothing and only result in bad publicity for the college. The caller identified himself as a well-wisher of the college before hanging up. Consider yourself in Vijya's position and choose an appropriate decision from the following choices.

- A. Disregard the phone call and do not share its details with others.
- B. Understand the implications of the phone call and apply for a leave.
- C. Call up the Director, tell him about the phone call, and excuse yourself from the responsibility.
- D. Talk to the Director and seek his opinion.
- E. Constitute a different committee to investigate the "phone call" and carry on with your other activities.

Answers Questions 17 to 19 based on the information given below.

Marathe is a vice President in a construction equipment company in the city of Mumbai. One day, his subordinate Bhonsle requested that Kale, a project manager, be transferred to the Chennai office from the Mumbai office. In Chennai, Kale would work alone as a researcher. Bhonsle gave the following reasons for his request: "Kale is known to frequently fight with his colleagues. Kale is conscientious and dedicated only when working alone. He is friendly with seniors, but refuses to work with colleagues, in a team. He cannot accept criticism and feels hostile and rejected. He is overbearing and is generally a bad influence on the team.

Marathe called upon Gore, another project manager, and sought further information on Kale. Gore recalled that colleague, Lakhote (who was also Kale's former boss) had made a few remarks on his appraisal report about Kale was not fit for further promotion as he was emotionally unstable to work in groups though he had seven years of work experience. Lakhote had described Kale as too authoritative to work under anyone



Lakhote Had further told Gore that Kale had an ailing wife, and an old mother, who does not want to stay with his wife.

17. Consider the following solutions to the problem mentioned above:

- 1) Marathe should transfer Kale to Chennai office
- 2) Marathe should try and verify the facts from other sources as well
- 3) Kale should be sacked
- 4) Kale should be demoted
- 5) Marathe should suggest Kale to visit a family counselor

Which of the following would be the most appropriate sequence of decisions in terms of immediacy: starting from immediate to a longer term solution.

- A. 2, 1, 5
- B. 1, 4, 2
- C. 2, 3, 4
- D. 2, 5, 1
- E. 2, 5, 4

18. Marathe sought an appointment with Lakhote to find out ways to help Kale. Lakhote is of the opinion that the company's responsibility is restricted to the workplace and it should not try to address the personal employees. If Marathe has to agree to Lakhote's opinion, which of the solutions presented in the previous question would be weakened:

- A. 1
- B. 2
- C. 3
- D. 4
- E. 5

19. Which of the following statements, if true would weaken the decision to sack Kale the most?

- A. A Government of India study established that employees with 5-10 years of work experience tend to have conflicting responsibilities at home and office. However these



conflicts wither away after 10 years of experience.

B. Another article published in the magazine, *Xaviers Quarterly*, highlighted that employee's problems at home affect their performance at work.

C. In the latest issue of a reputed journal, *Xaviers Business Review*, it was published that most top managers find it difficult to work in a group.

D. It was published in *Xaviers Management Review* (another reputed journal) that individuals who cannot work in teams find it difficult to adjust to a new location.

E. Bhonsle was of the opinion that emotionally unstable persons find it difficult to get back to normal working life.

Answers Questions 20 to 21 based on the information given below.

A teacher wanted to administer a multiple choice (each question having six choices) based quiz of high difficulty levels to a class of sixty students. The quiz had sixty questions. The probability of selecting the correct answer for a good students and a brilliant student was 0.2 and 0.25 respectively. The poor students had no learning advantage. The teacher did not want students to cheat but does not have time and resources to monitor. All students were seated serially in 10 rows and 6 columns.

20. Is it possible for teacher to detect cheating without monitoring? Choose the statement that best describes your opinion:

A. It is not at all possible; teacher will have to introduce technology if there is no human support.

B. It is always possible; but teacher has to calculate exact answer.

C. It is possible when many students sitting next to each other have the same incorrect answers for multiple questions. However, there can be a small error in judgment.

D. It is possible when many students sitting next to each other have the same correct answers for multiple questions. However, there can be a small error in judgment.

E. It is possible only for poor students but not for good and brilliant students. However, there can be a smaller error in judgment.



21. Three good students were sitting next to each other. What is the probability of them having the same incorrect choice for four consecutive questions?

- A. $256/390625$
- B. $256/3125$
- C. $4/3125$
- D. $1/3125$
- E. Cannot be calculated

Answers Questions 22 to 25 based on the information given below.

The Big and Colourful Company

You are running "Big and Colourful (BnC)" company that sells book to customers through three retail formats:

- a. You can buy books from bookstores
- b. You can buy books from supermarket
- c. You can order books over the Internet (Online)

Your manager has an interesting way of classifying expenses: some of the expenses are classified in terms of size: Big, Small and Medium; and others are classified in terms of the colors, Red, Yellow, Green and Violet. The company has a history of categorizing overall costs into initial costs and additional costs. Additional costs are equal to the sum of Big, Small and Medium expenses There are two types of margin, contribution(sales minus initial costs) and profit (contribution minus additional costs).

Given below is the data about sales and costs of BnC :

Each of the Big, Small and Medium cost is categorized by the manager into Red, Yellow, Green and Violet costs. Breakdown of the additional costs under these headings is shown in the table below:

Red, Yellow, Green and Violet costs are allocated to different retail formats. These costs are apportioned in the ratio of number of units consumed by each retail format. The number of units consumed by each retail format is given in the table below:



22. Statement I: Online store accounted for 50% of the sales at BnC and the ratio of supermarket sales and book store sales is 1 : 2

Statement II: Initial cost is allocated in the ratio of sales.

If you want to calculate the profit/loss from the different retail formats, then

A. Statement I alone is sufficient to calculate the profit/loss.

B. Statement II alone is sufficient to calculate the profit/loss.

C. Both statements I and II are required to calculate the profit/loss.

D. Either of the two statements is sufficient to calculate the profit/loss.

E. Neither Statement I nor Statement II is sufficient to calculate the profit/loss.

Based on your answer to the above question, answer the questions 23 and 24 :

23. What is the profit from "online" sales?

A. 0

B. -310

C. +20

D. +450

E. Cannot be determined from the given information

24. Which retail format is least profit making for BnC?

A. Online

B. Supermarket

C. Book Store

D. All formats are loss making.

E. All formats are profit making.

25. Which retail format gives the highest profit for BnC?

A. Book Store

B. Supermarket

C. Online

D. All are equally profitable.

E. Cannot be determined from given information



Answers

SET 1

Answer 1: D

Answer 2: E

Answer 3: D

Answer 4: B

Answer 5: C

Answer 6: B

Answer 7: E

Answer 8: E

Answer 9: D

Answer 10: E

Answer 11: E

Answer 12: D

Answer 13: B

Answer 14: A

Answer 15: E

Answer 16: C

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Answer 17: C

Answer 18: A

Answer 19: B

Answer 20: E

Answer 21: A

Answer 22: A

Answer 23: D

Answer 24: E

Answer 25: E

SET 2

Answer 1: C

Answer 2: A

Answer 3: C

Answer 4: A

Answer 5: E

Answer 6: C

Answer 7: B

Answer 8: B

Answer 9: C



Answer 10: E

Answer 11: B

Answer 12: D

Answer 13: E

Answer 14: D

Answer 15: B

Answer 16: D

Answer 17: A

Answer 18: E

Answer 19: A

Answer 20: D

Answer 21: E

Answer22: C

Answer 23: D

Answer 24: B

Answer 25: A