

CUET 2026 May 29 Shift 1 Business Studies

Question Paper (Memory-Based) with Solutions

Conducted by National Testing Agency (NTA)



General Instructions

- (i) The examination will be conducted in Computer-Based Test (CBT) mode.
- (ii) Each question carries +5 marks for correct answer and -1 mark for wrong answer.
- (iii) The total number of questions are 50.
- (iv) Duration of the exam is 1 hour (60 minutes).

1. Which principle of management suggests that there should be one and only one boss for every individual employee to avoid conflict?

- (A) Unity of Direction
- (B) Unity of Command
- (C) Scalar Chain
- (D) Order

Correct Answer: (B) Unity of Command

Solution:

Concept: The principle of Unity of Command was given by Henri Fayol. It states that every employee should receive orders from one and only one superior.

Step 1: Understand the objective of the principle:

The main aim is to avoid confusion, overlapping instructions, and conflicts in authority.

Step 2: Evaluate the options:

- Unity of Direction deals with one plan for one objective.
- Scalar Chain refers to the chain of authority.
- Order means systematic arrangement of resources.

- Unity of Command specifically refers to one boss for one employee.

Hence, the correct answer is:

Unity of Command

Quick Tip: Command refers to “who gives orders,” while Direction refers to “where the organization is heading.”

2. Planning is described as a 'mental exercise.' Which feature of planning does this statement primarily highlight?

- (A) Planning is pervasive
- (B) Planning is futuristic
- (C) Planning is a mental exercise
- (D) Planning is continuous

Correct Answer: (C) Planning is a mental exercise

Solution:

Concept: Planning requires logical thinking, imagination, foresight, and decision-making abilities.

Step 1: Interpret the phrase “mental exercise”:

Managers must think about future situations, predict problems, and decide the best course of action.

Step 2: Differentiate from other features:

- Pervasive means planning exists at all managerial levels.
- Futuristic means planning is future-oriented.
- Continuous means planning is an ongoing process.
- Mental exercise specifically highlights intellectual thinking.

Therefore, the correct option is:

Planning is a mental exercise

Quick Tip: Whenever words like “thinking,” “judgment,” or “foresight” appear, they usually point toward planning as a mental exercise.

3. Which component of the marketing mix includes activities like advertising, personal selling, and sales promotion?

- (A) Product
- (B) Price
- (C) Place
- (D) Promotion

Correct Answer: (D) Promotion

Solution:

Concept: The marketing mix consists of the four Ps:

Product, Price, Place, Promotion

Step 1: Understand Promotion:

Promotion includes all communication activities used to inform and persuade customers.

Examples include:

- Advertising
- Personal Selling
- Sales Promotion
- Public Relations

Step 2: Differentiate from other Ps:

- Product refers to goods/services.

- Price refers to value charged.
- Place refers to distribution.
- Promotion refers to communication activities.

Hence, the correct answer is:

Promotion

Quick Tip: If the activity involves informing, convincing, or attracting customers, it belongs to Promotion.

4. According to Taylor's Scientific Management, what is the core objective of 'Standardization and Simplification'?

- (A) Increasing the variety of products
- (B) Eliminating unnecessary diversity of products
- (C) Promoting individual intuition
- (D) Maximizing the cost of production

Correct Answer: (B) Eliminating unnecessary diversity of products

Solution:

Concept: Taylor emphasized efficiency through standardization and simplification in production processes.

Step 1: Understand Simplification:

Simplification means reducing unnecessary varieties, sizes, and designs of products.

Step 2: Identify the objective:

Reducing unnecessary diversity:

- lowers production cost,
- improves efficiency,
- reduces waste,
- simplifies inventory management.

Thus, the correct answer is:

Eliminating unnecessary diversity of products

Quick Tip: Standardization creates uniformity, while Simplification reduces unnecessary variations.

5. What is the primary limitation of planning that makes it difficult to change plans once they are implemented?

- (A) Planning reduces creativity
- (B) Planning leads to rigidity
- (C) Planning is a time-consuming process
- (D) Planning does not guarantee success

Correct Answer: (B) Planning leads to rigidity

Solution:

Concept: Planning fixes future courses of action. Once plans are implemented, managers may become resistant to change.

Step 1: Define rigidity:

Rigidity means inflexibility in adapting to changing situations.

Step 2: Relate rigidity with planning:

Managers may continue following old plans even when external conditions demand changes.

Step 3: Differentiate from other limitations:

- Time-consuming refers to effort involved.
- No guarantee of success refers to uncertainty.
- Reduced creativity refers to restricted innovation.
- Rigidity specifically means difficulty in changing plans.

Hence, the correct answer is:

Planning leads to rigidity

Quick Tip: Whenever the question mentions “inflexibility” or “difficulty in changing plans,” the answer is usually Rigidity.

6. In the marketing philosophy of 'Selling Concept,' what is the primary focus of the business?

- (A) Customer satisfaction
- (B) Aggressive sales and promotion
- (C) Product quality improvement
- (D) Societal welfare

Correct Answer: (B) Aggressive sales and promotion

Solution:

Concept: The Selling Concept assumes that customers will not buy enough products unless aggressive promotional efforts are used.

Step 1: Understand the philosophy:

The focus is on increasing sales volume rather than understanding customer needs.

Step 2: Identify the methods used:

Businesses rely heavily on:

- Advertising
- Sales force pressure
- Discounts
- Promotional campaigns

Step 3: Differentiate from Marketing Concept:

Marketing Concept focuses on customer satisfaction, while Selling Concept focuses on pushing products aggressively.

Hence, the correct answer is:

Aggressive sales and promotion

Quick Tip: Selling Concept = “Sell what you make.”

Marketing Concept = “Make what customers want.”

7. Which technique of Scientific Management involves the study of time, motion, and fatigue to set a standard task?

- (A) Method Study
- (B) Fatigue Study
- (C) Work Study
- (D) Motion Study

Correct Answer: (C) Work Study

Solution:

Concept: Work Study is a comprehensive technique used in Scientific Management to improve efficiency.

Step 1: Understand components of Work Study:

It includes:

- Method Study
- Motion Study
- Time Study
- Fatigue Study

Step 2: Interpret the question:

Since the question mentions time, motion, and fatigue collectively, the broader term covering all these studies is Work Study.

Therefore, the correct answer is:

Work Study

Quick Tip: Remember:

Method + Motion + Time + Fatigue = Work Study

8. What is the final step in the planning process?

- (A) Developing premises
- (B) Identifying alternative courses of action
- (C) Follow-up action
- (D) Setting objectives

Correct Answer: (C) Follow-up action

Solution:

Concept: Planning is a systematic process involving several sequential steps.

Step 1: Recall the sequence of planning:

Objectives → Premises → Alternatives → Evaluation → Selection → Implementation → Follow-up

Step 2: Identify the final stage:

After implementation, managers monitor results and make corrections if required. This stage is called Follow-up action.

Hence, the correct answer is:

Follow-up action

Quick Tip: Planning never truly ends; Follow-up provides feedback for future planning cycles.

9. Which packaging level refers to the immediate container of the product, like a toothpaste tube?

- (A) Secondary packaging
- (B) Primary packaging
- (C) Transportation packaging
- (D) Labeling

Correct Answer: (B) Primary packaging

Solution:

Concept: Packaging is divided into levels based on its closeness to the product.

Step 1: Understand Primary Packaging:

Primary packaging directly contains the product.

Examples:

- Toothpaste tube
- Bottle of shampoo
- Chocolate wrapper

Step 2: Differentiate other levels:

- Secondary packaging provides extra protection.
- Transportation packaging is used for shipping.
- Labeling gives product information.

Therefore, the correct answer is:

Primary packaging

Quick Tip: Primary packaging directly touches the product.

10. According to Fayol's Principles, 'Esprit de Corps' emphasizes what?

- (A) Individual achievement
- (B) Promoting team spirit and unity
- (C) Strict adherence to rules
- (D) Fair remuneration

Correct Answer: (B) Promoting team spirit and unity

Solution:

Concept: Esprit de Corps is one of Fayol's management principles emphasizing harmony and unity among employees.

Step 1: Interpret the phrase:

The French phrase "Esprit de Corps" means "spirit of the group."

Step 2: Understand its importance:

Management should encourage:

- Team spirit
- Cooperation
- Unity
- Mutual trust

Step 3: Evaluate the options:

Individual achievement, strict rules, and remuneration refer to different principles, while team unity directly matches Esprit de Corps.

Hence, the correct answer is:

Promoting team spirit and unity

Quick Tip: Esprit de Corps = "Unity is Strength."