

XAT Decision Making Previous Year Questions with Answers (XAT 2025)

Q.1 Read the following scenario and answer the THREE questions that follow.

Sundaram Stores operated in a gated community, situated about 30 Kilometers away from the main town. The store owner Mr. Sundareswaran Pichaimuthu, or Sundaram as he was called by everyone, secured a space in the gated society through a competitive bidding process. The residents' association, led by Mr. Thangamoorthy Selvaganapathy, selected Sundaram over three other bidders, based on his willingness to pay the highest rent. Desperate to augment his post-retirement income, Sundaram agreed to pay a very high rent, banking on the prospect of generating exceptional revenue from the gated community.

Sundaram was awarded the contract to establish the store, with provisions for a review every three years. Feeling elated during the meeting with the residents' association to finalize the contract, he enthusiastically committed to offering a 15% discount on all groceries and stationary, cementing goodwill and reinforcing the partnership established through the contract. The association was delightedly taken aback by his generous assurance. Sundaram hoped to make up the difference through volume.

Although his sales were strong during the initial months, he soon realized that the SUV-owning residents of the gated community primarily made their purchases at large, branded retail chains in the main town. These stores offered deeper discounts, which he could not afford to compete with. However, gradually, Sundaram store became their go-to store for daily essentials and occasional urgent big purchases such as replacing a broken mixer-grinder.

While reviewing his monthly accounts, Sundaram realized that he was barely breaking even, primarily due to the substantial rent he was paying to the residents' association. He realized that while his sales were stagnated, the rental costs were contractually scheduled to increase every three years. He was determined to do something to increase his profits.

Which of the following will be the MOST sustainable way to increase Sundaram's profits?

- A. He should offer to procure items unavailable at his shop from the town on residents' demand.
- B. He should meet with the residents' association to negotiate a lower rent.
- C. He should introduce "cheap Wednesdays" where he will sell groceries at 40% discount.
- D. He should advertise about his shop through a leaflet in the gated community.
- E. He should remove all the discounts he was offering and sell at the maximum retail price.

Q.2

To increase his profits, Sundaram diversified into selling vegetables. Earlier, a vegetable vendor used to visit the gated community once every week. The vendor, after seeing dismal sales ever since Sundaram started selling vegetables, stopped visiting the gated community. The residents' association did not like losing the rent they were receiving from the vendor. Additionally, the maintenance staff of the gated community benefitted from receiving vegetables either for free or at extremely low prices, as the vendor, reluctant to take back the unsold stock, chose to distribute them at little to no cost. This enabled the residents' association to retain maintenance staff whose attrition rate was increasing with more gated communities coming up in the nearby area.

Which of the following options will BEST address the concerns of the residents' association arising out of Sundaram getting into selling vegetables?

- A. The residents' association should impose a fine on Sundaram since he was not contracted to sell vegetables.
- B. The residents' association should ask Sundaram to give a specific quantity of vegetables to the maintenance staff for free.
- C. The residents' association should discount the rent for the vegetable vendor to increase competition and ask him to continue.
- D. The residents' association should request for bids from various shop owners to open another grocery store in the vacant place.
- E. The residents' association should ask Sundaram to use the erstwhile space for selling vegetables and pay rent for the same.

Q.3

Sundaram is a happy man now. He has managed to get contracts with two more nearby gated communities. He feels like the grocery king of the suburb.

However, his happiness is short-lived as Rush'em, a new startup, begins making waves among gated communities. This app-based startup promises to deliver any grocery item within 15 minutes, leveraging its own large warehouses. Earlier, Rush'em was confined to the main town, but now, the startup has expanded its delivery services to the suburbs, including gated communities where Sundaram operates. Of course, for the suburbs, Rush'em promises delivery within 60 minutes, given the distance.

Though not an official slogan, the rumour in the market is that Rush'em's founder inspired her employees by shouting "Rush'em or Crash'em, but Push'em through that door!" Sundaram started losing business to Rush'em. He felt rushed, pushed, and was wondering if his business would come crashing.

What should Sundaram BEST do to ensure that his revenues do not come down due to Rush'em?

- A. Sundaram should not bother since the nearest town is 30 kilometers away.
- B. Sundaram should employ a few helpers who will do home delivery of his products within 10 minutes across the three gated communities.
- C. Sundaram should demand that his rent be reduced to one-third since Rush'em has free access to these societies
- D. Sundaram should start giving discounts on every product he sells.
- E. Sundaram should explore starting his own delivery startup Finish'em, dedicated to the suburb, competing with Rush'em.

Q.4

Read the following scenario and answer the THREE questions that follow.

Humane Dynamix is a leadership training organization based in Mumbai. Established in 2015, the organization is gradually becoming a leader in behavioral training. In the organization, trainers are assigned to training projects based on their expertise. Corporates seek behavioral training services on a regular basis, from Humane Dynamix, for upskilling their executives. Humane Dynamix is headed by the Chief Executive Officer (CEO), to whom the Training Assignment Officer (TAO) reports. The TAO position rotates among the senior trainers for a fixed tenure; the CEO assigns this position to a senior trainer.

Companies, desirous of hiring Humane Dynamix, share their training needs with the organization. The TAO assigns a trainer to the client. Typically, the satisfied client requests for a particular trainer that the client is satisfied, giving repeat business to Humane Dynamix from the same client company. However, the TAO takes the final call. Years of training experience plays a big role in client satisfaction, and hence, senior trainers conduct most training programs while the newly recruited trainers apprentice with them. However, the senior trainers have the autonomy to decide on who they want to accept as an apprentice.

Further, during a training program, the senior trainer takes most of the sessions, if not all, while the apprentice helps the senior trainers to organize their sessions, and occasionally take a few sessions. As the apprentices gain experience, they start getting their own independent projects, but that typically takes quite some time.

Dheeraj, a senior trainer, takes over as the TAO. As soon as he assumes the office, the CEO shares a concern with him: "We have a lot of young trainers who we have recently recruited. Since they are not known to the outside world, they do not get enough opportunities. Many of them are impatient to prove their mettle. Unless they are assigned more programs, we risk losing them rapidly."

Dheeraj knows that his senior colleagues are very good at training, and, hence, they conduct most of the training programs. They keep the clients satisfied and, consequently, bring repeat business. However, as asked by the CEO, Dheeraj needs to do something to enable the young trainers get more opportunities and increase their training engagements.

Which of the following options should Dheeraj execute to BEST enable the young trainers to get more training opportunities, without affecting their relationships with the client companies?

- A. Dheeraj should mandate that the senior trainers must allow the young trainers to take at least thirty percent of their training sessions.
- B. Dheeraj should request the repeat clients to switch to the services of the young trainers who bring a lot of energy to their sessions.
- C. Dheeraj should assign some of the repeat projects from the satisfied clients with particular senior trainers to the young trainers.
- D. Dheeraj should request the CEO to urge the senior colleagues in giving up some of their existing clients in the interest of others' careers.
- E. Dheeraj should explore for those clients who would be comfortable working with the young trainers.

Q.5

Dheeraj decided to assign some of the repeat clients, at random, to their young trainers, to address the concerns of the CEO. Many young trainers appreciated him for giving them more opportunities.

Sudha Iyer, a senior trainer, popular for her training programs in “Deceptive Communication Methods,” was surprised to see that some of her long-standing clients were assigned to a young person. She was concerned that the clients would feel shortchanged. Moreover, she was chagrined that she was not even consulted. This led to the reduction in her number of training hours.

Since, Humane Dynamix incentivizes trainers who cross a mandated number of training hours every year, Sudha was also concerned about her possible revenue loss.

Sudha wanted Dheeraj to stop assigning established clients to the young trainers.

Which of the following actions would BEST help Sudha to stop Dheeraj from assigning her programs to the young trainers?

- A. She should propose training the young trainers in her innovative methods so that they become independent in future.
- B. She should confront the CEO and share that his concerns should not be addressed at the cost of her revenues.
- C. She should share with Dheeraj that assigning her client companies to novice trainers will lead to loss of those clients.
- D. She should approach the CEO and request that Dheeraj be removed from his role as the TAO.
- E. She should contact the client companies and ask them to reject Dheeraj's assigned trainers.

Q.6

Dheeraj assigned a repeat client of Nandini Hegde, another very senior trainer, to Kirti Gowda, a promising young trainer.

A few days later, the client company reached out to Nandini, off the record, and informed her that they were very unhappy with Kirti's training. They also shared that Dheeraj, when informed about this, had claimed that the client would appreciate Kirti with more exposure to her training programs.

What BEST can Nandini do to regain the client for herself, without appearing to be against the organization's focus on providing the young trainers more opportunities?

- A. Engage in a follow up conversation with the client, requesting that they communicate their concerns to the CEO of Humane Dynamix directly.
- B. Share the client's feedback with Kirti, and ask her to opt out of future training assignments with that client.
- C. Tell the client that to ensure quality, they must demand her exclusively as the trainer for their upcoming training programs.
- D. Arrange a meeting with Dheeraj, informing him that she is aware of the situation, and Dheeraj's actions may lose the client for Humane Dynamix.
- E. Propose to Dheeraj that in future assignments with the client, Kirti be a co-trainer with Nandini to help improve her performance.

Q.7

Read the following scenario and answer the THREE questions that follow.

KindCare hospital, located in the small industrial town of Chinar, is one of the largest hospitals within 50-kilometers radius. It is well-regarded among the locals for emergency services. However, for critical surgeries, they prefer to travel to the nearest city Shamili, which is 100 kilometers away.

When KindCare was established 50 years ago, the town was still in its early stages of development. Consequently, the hospital needed to incorporate several facilities within its premises, including a 24-hour cafeteria, to accommodate needs of the patients and their relatives who would come from nearby places. Another facility that KindCare built and takes pride in is its state-of-the-art testing lab. It is the most sought-after testing lab in Chinar even today when many independent labs have come up around KindCare. Moreover, many other facilities have also come up in the surrounding area of the hospital such as pharmacies, food joints, hotels etc. Further, a standalone pharmacy chain has gained a strong foothold in Chinar as they expand their reach into Tier-3 cities.

When it comes to KindCare, a significant proportion of its patients are outpatients with a substantial number seeking emergency services. As the sole 600-bed hospital in the region, KindCare plays a crucial role in medical services, and receives generous funding from two major corporations operating locally, further enabling KindCare to cater to the growing medical needs of the community.

During the COVID-19 pandemic, KindCare made significant investment in enhancing internet connectivity, enabling many doctors, and the majority of administrative staff, to seamlessly work remotely. This investment also allowed KindCare to bring in doctors from other cities through remote care.

Further, COVID-19 was a wakeup call for KindCare to enhance their infrastructure. Though KindCare made significant improvements, they kept the major renovations on hold due to the constant flow of patients. KindCare believes that if the held renovations are not taken up on an urgent basis now, the operations at the hospital will get obstructed.

KindCare feels that it needs to be better prepared before a similar situation like COVID-19 chances upon the city again. The hospital decides to invest immediately in improving their infrastructure. However, this would mean that, temporarily, it should either reduce, or shut down the operations of a few departments.

It is considering the following options:

- A) Reduce their outpatient capacity to half
- B) Shut down the cafeteria for the period of renovation
- C) Ask their administrative staff to work remotely
- D) Strip the pharmacy operations down to emergency and critical medications
- E) Shut down the medical lab, and arrange medical tests from a local lab

Which of the following combinations will LEAST affect the functioning of the hospital?

- A. ACD
- B. BCD
- C. BCE
- D. ABE
- E. ABC

Q.8

KindCare needs to maintain a large inventory of medicines and other auxiliary supplies in their storage unit. The storage unit ensures adequate and timely supply to Intensive Care Unit and the emergency services, and always runs to capacity. The renovation team suggests that the storage unit be shut down for seven days for urgent renovation. However, the hospital building being old, in the past, renovation work had stretched beyond estimated time.

Which of the following actions BEST ensures KindCare operates efficiently during the renovation of the storage unit?

- A. Rent a large space, about one hour away from the hospital, for seven days.
- B. Shut down the hospital until further notice, except for the emergency ward, which can run on outside supplies.
- C. Renovate the storage unit part by part while halving the capacity of the emergency services until the renovation completes.
- D. Start building a new storage facility, as their capacity is already stretched.
- E. Shut down the cafeteria until further notice and relocate the storage unit.

Q.9

KindCare Hospital has to renovate its storage unit, given the complexity of the medicines and the need to store other critical supplies. The renovation is supposed to take seven days. However, as the work starts, the team entrusted with the work realizes that the work will take more than 15 days. KindCare feels that even this revised estimate is modest. Already the outpatient services are affected, and people visiting the hospital are being turned away. Stretching it further will attract a strong public resentment.

Which of the following actions offers the MOST sustainable solution for KindCare to reduce the number of patients being turned away?

- A. Arrange with a larger hospital, in Shamili, to take over their critical patients.
- B. Stop the renovation work immediately, and resume normal operations.
- C. Resume some operations from rented spaces, scattered around the region.
- D. Start reduced operations gradually, and hire a team of experts to find ways to expedite the renovation.
- E. Bring in a reputed renovation team at triple the cost, which guarantees to finish this work in three days.

Q.10

Read the following scenario and answer the THREE questions that follow.

Aarya had always been a mediocre student. Luckily, after finishing her undergraduate degree from a tier-two engineering college, she secured a decent, but modestly paying job at a reputable IT company.

However, after a year on the job, Aarya found her role mundane. When her best friend at the company, Shruti, left to pursue an MBA from a top-tier business school, citing significant career growth and potential salary increase upon graduation, Aarya felt intrigued and inspired to follow the same path. Shruti appreciated Aarya's aspirations, telling her that doing MBA

from a top-tier business school could not only land Aarya a lucrative job, but also it could fast track her career progression. However, Aarya was concerned whether she would be able to balance between her MBA entrance-exam preparation and her current job. Aarya considered resigning to focus entirely on MBA entrance-exam preparation, but Shruti cautioned her that top-tier business schools might view a career break unfavourably, as they prefer continuous professional engagement. SubQuestion No : 38

The CEO of Aarya's IT firm tied up with a premier business school to reserve thirty seats in an online management certificate program, aimed at grooming working professionals. The CEO, however, declared that the employees participating in this program will have to sign a three-year bond with the firm. Further, the CEO added that though good performance was a criterion for selection, he would hold authority to take a final call.

Aarya, well aware of her academic limitations, was unsure about the time available to prepare for the MBA entrance exams. She contemplated going for the management certificate program, instead of preparing for the MBA entrance exams.

Which of the following considerations will BEST help Aarya decide whether to apply for the online management certificate program?

- A. Aarya keeps getting appreciated for her performance by the HR department.
- B. Aarya wants to be part of a very good alumni network.
- C. Shruti attempted the MBA entrance exams twice, before she could get selected.
- D. Aarya feels that the online program is light enough to manage while working full time.
- E. Those who complete this online management certificate program do well in their career.

Q.11

After working hard on MBA entrance-exam preparations for one year, Aarya received an admission offer from the two-year agribusiness program of a premier business school. While she aspired to be a part of that premier business school, she had no interest in agribusiness. While deliberating, she received an offer from a brand new, but buzzworthy, global one-year executive MBA program in General Management, in a mid-tier business school. The program boasted excellent placement for its first batch of students. While the program was typically geared towards students with a considerable industry experience, being new, it also allowed some exceptions for "well-deserving students" with little or no experience.

Aarya was worried whether, being a candidate with a minimal experience, she would be a good fit in the executive MBA program. Which of the following considerations would BEST help Aarya in taking admission in the one-year executive MBA program?

- A. Aarya does not have the confidence to spend another year in MBA entrance-exam preparation.
- B. The agribusiness program is not the flagship program of the premier business school.
- C. The unique structure of the executive MBA program has gained a lot of attention from the new start-ups.
- D. Aarya has a better chance of furthering her career in a field of her interest through the executive MBA program.
- E. The executive MBA program offers generous scholarships to women with IT experience.

Q.12

After working hard on MBA entrance-exam preparations for one year, Aarya received two admission offers: one from the two-year agribusiness program of a premier business school, and another one from a brand new, but buzzworthy, global one-year executive MBA program in General Management in a mid-tier business school. As she did not have much interest in agribusiness, Aarya opted to enrol in the one-year executive MBA program, and promptly submitted her first instalment of fees towards admission. She was very happy that she would soon embark on her MBA journey.

To her shock, a few days later, she received a call from the authorities of the mid-tier business school. They informed her that due to a technical glitch in their system, more admission offers were made than the available seats. Consequently, candidates lower on the merit list, including Aarya, were being offered a choice from the following options: a deferred admission next year to the same program, or a full refund of the fees. They also said, if interested, Aarya could right now join a similar program, starting in a newly launched campus of the same business school, where many seats were available.

Aarya considered the whole episode a breach of trust, and wondered, if it would at all be worthwhile to be associated with this business school now or in the future.

Which of the following considerations will BEST restore her faith in this business school?

- A. A similar incident happened three years back in another business school, and all deferred candidates eventually got good placements.
- B. A deferment by a year will give her a chance to build on her work experience.
- C. The business school owned the mistake, and tried their best to help the affected candidates.
- D. The business school runs many management training programs on ethical leadership for corporates.
- E. Many mid-tier business schools give offers to more candidates than available seats to tackle rejections.

Q.13

Read the following scenario and answer the THREE questions that follow.

Mr. Zubin Mistry is the owner and the chief editor of the newspaper The Pluralist, renowned for its high reporting standards and outstanding writing quality. The Pluralist's authentic reporting distinguishes it from other newspapers that sensationalize news. They are responsible employers, known to be highly supportive towards their employees. Its news editing team is led by Ms. Ramya Kattabomman, a respected veteran in the newspaper reporting industry, well-known for her stringent adherence to the ethical standards of newspaper reporting.

Mr. Aditya Swaroop Verma, an award-winning senior journalist, has brought in an exposé into the activities of a mining company, operating in an ecologically vulnerable area. In his hard-hitting reporting style, he has presented interviews with tens of people, delineating how the mining company has used illegal means to start mining in that area. These mining activities may lead to the destruction of the local ecological balance. However, Aditya Swaroop is unable to obtain an interview with the management of the mining company.

Aditya Swaroop's investigative report article offers significant revelations about the alleged illegal activities of the mining company which were hardly covered in the media otherwise. Nevertheless, his sources have requested for complete anonymity.

Ramya is trying to decide whether to publish the article. While publishing the article may enhance the reputation of The Pluralist, there are possibilities of political and economic backlash for reporting on the powerful mining company. She has consulted the legal team of the newspaper, who have warned that the report, relying mostly on anonymous sources, is likely to be legally vulnerable. On the other hand, Aditya Swaroop is a senior journalist, well known and well respected for the quality of his investigative reporting. The topic of the report is time sensitive: if the report is not published within the next 2-3 days, the mining company would get an important government project in the same area.

Which of the following reasons will BEST enable Ramya to publish the article?

- A. Ramya should publish the article because any investigation by Aditya Swaroop has enhanced the reputation of The Pluralist till date.
- B. Ramya should publish the article because a similar article was published on another mining company last week in another news daily.
- C. Ramya should publish the article because the same news can get published by a competitor known for breaking such news.
- D. Ramya should publish the article because her legal team is mostly over cautious about any possibility of backlashes.
- E. Ramya should publish the article given the time-sensitive nature of the report.

Q.14

After the article is published next morning in The Pluralist, it goes viral. However, the mining company pushes back with a public declaration, contesting some of the findings of the article. While the potential inaccuracies do not entirely invalidate the article, they substantially undermine its message if proven true.

When Ramya asks Aditya Swaroop to bring in further proof to publish a rebuttal, he informs her that his sources, for a vital part of the article, were two employees recently fired by the mining company. And, they now admit that they were not completely honest in their initial interaction with him. Though some points raised in the article might still be valid, it is difficult to separate the inaccuracies given the unreliability of the sources. Ramya immediately brings it to the attention of Zubin, while admitting that she hastily permitted the publication of the article.

What is the MOST responsible action should Zubin take, keeping in view the recent developments due to the inaccuracies of the article?

- A. Publish an article accusing the mining company of bullying witnesses to change their versions.
- B. Publish a modified version of the article next day, defending the investigative journalism of Aditya Swaroop.
- C. Retract the entire article, and publish that Aditya Swaroop will no longer be with the newspaper.
- D. Retract the entire article, and publish Ramya's apology in the newspaper.
- E. Publish a follow-up article disclosing the identity of the sources used for the article, attributing the responsibility of the errors to them.

Q.15

After the article is published in The Pluralist, the mining company pushes back with a public declaration, contesting some of the findings of the article.

This has hit Aditya Swaroop's reputation because he trusted unreliable sources. Nevertheless, he is confident about the illegal activities of the mining company; he wants to redeem himself. He approaches Zubin with a request to go back to the mining company project to find new sources and rewrite an article with reliable pieces of evidence. Though his fresh investigation will require time and money, it might also enhance the reputation of the newspaper.

Zubin respects Aditya Swaroop and wants his reputation to be restored. However, Zubin is confident that continuing to work on the mining company project will not yield any results.

Which of the following actions by Zubin will BEST enable Aditya Swaroop to enhance his diminishing reputation?

- A. Assign Aditya Swaroop to work as an anonymous journalist for the next few months, until he feels confident of himself.
- B. Tell Aditya Swaroop that he plans to delegate the mining company project to a fresh team, who will work in consultation with Aditya Swaroop.
- C. Assign a new investigative project to Aditya Swaroop, advising him to focus on the new project without worrying about the past project.
- D. Ask Aditya Swaroop to start his own YouTube channel, since more people are aware of him now than before.
- E. Ask Aditya Swaroop to focus on mentoring new and young journalists instead of working on any investigative report for some time.

Q.16

Read the following scenario and answer the THREE questions that follow.

TrueColor, an event management company in eastern India, had been in a business of inviting Tollywood singers to a city called Tivanna, and made money out of selling tickets of their concerts. The stars were paid a fixed fee regardless of the number of tickets sold. The company had a specialized team that negotiated the singers' fee with their managers. However, for selling the tickets of such events, they were reliant on an external media agency called Zedius. Zedius had a long-standing relationship with TrueColor, and had been instrumental in achieving a target of 50,000 tickets for each of the flagship events.

Mr. Sukanta Rao joined TrueColor as an inhouse sales and marketing manager, a position exclusively created for him. The CEO, Mr. Adil Banerjee, had assigned a task of increasing the sales of tickets to 100,000. In Sukanta's earlier stint, he had seen that similar cities sell more than 75,000 tickets for such events. He felt that, over time, reaching 100,000 was plausible for TrueColor.

Sukanta felt that the aspirational target can be achieved only if Zedius is replaced. However, he is not sure if he should make any major changes in his first year.

Which of the following reasons will BEST help Sukanta NOT to start making major changes immediately?

- A. The owners of Zedius are respected citizens of Tivanna.
- B. TrueColor recruited Sukanta specifically to increase ticket sales by whatever means necessary.
- C. Zedius has managed TrueColor's marketing for the last five years.
- D. Sukanta needs more time to learn about the dynamics of the eastern market.
- E. For around a decade, ticket sales have consistently hovered at 50,000.

Q.17

Just two weeks before the flagship event, Adil received a few emails from competing media agencies that accused Zedius of selling phony tickets in the “black” market. When Adil enquired with the security agency in charge of gatekeeping the events, they told him that they had no mechanism to check the authenticity of tickets.

Which of the following options will BEST help Adil to ignore the accusations from the competing media agencies, and maintain status quo?

- A. In Tivanna, the competing media agencies keep defaming each other out of fierce competition.
- B. Tivanna being a small city, a few prominent personalities have to be allowed in without tickets.
- C. Zedius is the largest media agency in Tivanna.
- D. Some attendees admitted to paying cash to gate keepers to get in.
- E. Zedius promises a particular threshold of ticket sales as decided by TrueColor.

Q.18

The following year, Sukanta discussed with Adil that unless they got into the ticket selling process, they might not be able to improve the ticket numbers. However, this would mean moving away from Zedius, and the transition could cause short-term pains since TrueColor would be entering into uncharted territory. Further, Sukanta added that TrueColor would achieve self-sufficiency over couple of years. Adil was concerned about the risk of taking over an activity that the organization was not competent at, but understood Sukanta’s point. In the interest of building long-term competencies, he authorized Sukanta to take it forward. Sukanta did not renew Zedius’s contract in the following year; instead, he recruited a skeletal team of three freshers from a premier business school as his support staff.

As the event approached, the team dedicated themselves to executing their plan. However, by the time the ticket sales window closed, they managed to sell only 40,000 tickets. This shift in strategy provoked considerable dissent within the company, challenging Sukanta's decision.

Disturbed by the situation, witnessing the internal turmoil, Adil must now navigate the company's immediate reaction.

Which of the following should now be Adil’s BEST course of action?

- A. He should make Sukanta and his team to go back to Zedius immediately.
- B. He should dismiss Sukanta’s team and let the earlier media agency to take over.
- C. He should threaten Sukanta that if sales do not improve by next year, he and his team will be fired.
- D. He should engage a different media agency which is working for TrueColor’s main competitor.
- E. He should wait and watch as the investment in Sukanta may need more time to bear result.

Q.19

Read the following scenario and answer the THREE questions that follow.

Ned Flanders and Homer Simpson Partners Limited is a law firm, known for its unwavering commitment to client satisfaction. They treat the clients as family members who have grown along with the firm. Further, they are highly regarded in the industry, consulted by the country's top organizations. Among the founders, Homer Simpson is flamboyant, while Ned Flanders is serious. Together, they bring a dynamic balance to the team.

The organization believes in a strong socialization ritual that bonds the new lawyers (newcomers) with the existing members. Also, the socialization ritual ensures that newcomers fully understand the nature of their work and integrate seamlessly into the company's culture. During their first week, newcomers are overloaded with a barrage of artificial tasks, unexpected client calls, and a challenging meeting with the founders. This results in newcomers getting overwhelmed, and doubting their decision to join the firm, only for the founders to meet them and reveal that this is one big prank and a way to welcome them to the organization. This socialization ritual has served them well for the past two decades. However, not all the newcomers appreciate the utility of this ritual.

One of the lawyers, Ms. Lisa Simpleton, who joined in 2023 and went through the same socialization ritual, found it unwelcoming. She believes that other newcomers might also share the same opinion. Lisa thinks that the current generation, especially post-COVID, needs more friendly welcome, and the firm must put an end to this ritual.

When a new batch of lawyers joins in 2024, Lisa feels that it is her moral responsibility to relieve the newcomers from the ensuing stress. However, Lisa, like the others who joined along with her, is on probation for two years. During the probation period, her skills and performance are under evaluation. Upon successful completion of this two-year assessment, she will be eligible for confirmation. Since she is yet to be confirmed, she wants to be seen as fitting within the organization's culture.

Which of the following options will BEST enable Lisa to save the newcomers from the socialization ritual, without being singled out for questioning the organization's culture?

- A. Meet one of the newcomers in secret and tell her about this practice.
- B. Seek a meeting with Ned Flanders, suggesting him to put an end to this practice.
- C. Join a team of lawyers, petitioning to the founders to end this practice.
- D. Organize a generic workshop for newcomers regarding workplace politics.
- E. Be silent this year until her performance review is over and she is confirmed.

Q.20

When a new batch of lawyers joins the organization in 2024, they receive an anonymous email, warning them about the socialization ritual, just as it is about to start. Though no newcomer paid heed to the mail, the founders are furious. They call a meeting, and announce

that while employees are welcome to express their opinions, this cowardly act of sending an anonymous email shall not be tolerated.

The watercooler discussions murmur Lisa's name. Lisa is pleased that someone shares her perspective on the socialization ritual and has acted. However, she did not write the aforementioned email. As her name continues to be mentioned, she feels overwhelmed and wonders if she needs to do something about it.

Which of the following actions by Lisa can BEST enable her to defuse the situation?

- A. She should meet the founders and share that while she has reservations about the practice, she did not send the anonymous email.
- B. She should send a public email clarifying that while she has reservations about the practice, she is not the author of the anonymous email.
- C. She should publicly apologize for having questioned the tradition of the organization to put all doubts to rest.
- D. She should simply focus on her work, and hope that the founders would ignore the rumours.
- E. She should apologize to the founders, taking accountability for creating a climate that resulted in someone sending the anonymous email.

Q.21

It is 2025: a new batch of lawyers has joined the firm.

Some lawyers from the 2024 batch have approached the founders to express their appreciation for the intent behind the socialization ritual. They shared that the experience offered them a glimpse of the world they are about to enter. However, they feel that the ritual has become archaic in its execution, showing its age and necessitating some fresh thinking.

As they leave, Ned feels that the time has come to abandon the ritual due to changing times. However, Homer disagrees; he thinks that exposing the employees to what the profession has to offer, in the first week, is very critical. Moreover, it helps the organization know whether the newcomer is ready for such a profession. Further, he adds that the socialization ritual has been effectively helping them for decades in grooming the talents of their organization.

Which of the following actions should the founders BEST take, if they still want to welcome their newcomers by exposing them to the harsh reality of the profession, while being empathetic to the demands of the times?

- A. They should talk to their competitors in the same industry and check what kind of practices they follow.
- B. They should stick to what they are doing but hire a mental health professional who the newcomers can refer to if they feel the need.
- C. They should invite suggestions from their young lawyers regarding formulating a new socialization ritual.

- D. They should get a mental health professional to design their socialization ritual.
- E. They should, in their website, share details about how tough the workload is going to be.

Answer Key

1	2	3	4	5	6	7	8	9	10	11
E	C	B	A	C	E	B	E	E	E	D
12	13	14	15	16	17	18	19	20	21	
C	A	D	C	D	A	E	C	A	C	

XAT Decision Making Questions: Previous Year Paper - XAT 2024

Caselet 1

Instructions: Read the following scenario and answer the **THREE** questions that follow.

Mr. Singh lived in a sprawling housing society. He employed two part-time domestic helps, Vimla and Sharda. Vimla was responsible for cleaning and dusting, while Sharda took care of cooking.

Once Sharda fell ill and consequently took leave for three days. When Sharda returned to work, she learned that Mr. Singh's gold ring, a gift from his mother, was missing. Suspecting theft, Mr. Singh had terminated Vimla. Mr. Singh asked Sharda to take additional responsibility of cleaning the house, along with an offer to double her salary. Sharda accepted the offer as her previous two jobs were lost due to frequent health-related absences. She was struggling to make ends meet; this offer would go a long way to help her.

Next day, while cleaning under the dressing table, Sharda found the gold ring. Overjoyed, Mr. Singh expressed his gratitude by presenting Sharda a reward of one thousand rupees! However, he made no mention of reinstating Vimla.

Q 1. Sharda was contemplating whether she should inform Vimla that she found Mr. Singh's ring. Which of the following considerations will **BEST** dissuade Sharda in sharing the information about the ring with Vimla?

- A Mr. Singh will probably terminate Sharda if he gets to know that she has revealed this information.
- B Had Vimla done her job properly, she would have found the ring and avoided this incident.
- C Vimla already knows she has not stolen anything, so telling her will not give her any new information.
- D Sharda is not keeping well, and Mr. Singh warned her that her frequent absences could lead to her termination.
- E Whenever Sharda was absent, Vimla used to help her by taking over her responsibilities.

Q 2. Two months passed, and owing to Sharda's improved health and dedication, Sharda started working in three more houses. However, Vimla was dismissed from her jobs in two more houses primarily due to the ring incident. News of the discovery of the lost ring had not become public, and Sharda wanted to help Vimla. Sharda is contemplating over possible actions. Which of the following actions, by Sharda, will **BEST** help Vimla?

- A. Confront Mr. Singh about concealing the discovery of the lost ring from the housing society residents.
- B. Inform Vimla that the ring has been found and advise her to demand compensation from Mr. Singh for tarnishing her image.
- C. Inform as many domestic helps in the housing society as possible that she has found the

ring.

D. Quit the job at Mr. Singh's house and ask him to consider offering that job to Vimla.

E. Divulge to Vimla's employers in the housing society that she has found the ring.

Q 3. The news of the discovery of the lost ring eventually became public. The domestic helps in the society were chagrined by the treatment meted out to Vimla and the fact that the news of the discovery was not made public immediately. They wanted to ensure that they would not get targeted every time if something goes missing.

Which of the following policy options will BEST minimize the chance of employers suspecting their domestic workers of theft in the future?

A. The domestic workers will undergo a daily search by the security guards when leaving the society.

B. When a domestic worker is terminated on suspicion of theft without proof, they will have to be paid at least one month's salary in full.

C. The current address and contact details of all domestic workers should be submitted to the housing society.

D. If there is a suspicion of theft, the security guards will first conduct a thorough search of the affected house.

E. When a domestic worker is terminated on suspicion of theft, the employer will have to publicly apologize if the domestic worker can prove their innocence.

Answer Key

Q 1: A

Q 2: B

Q 3: A

Caselet 2

Instructions: Read the following scenario and answer the **THREE** questions that follow.

In Symbolis, an upcoming medium sized IT services organization, only 1% of the employees were awarded an annual performance bonus. This annual performance bonus was decided by a committee formed of different functional heads. When Ms. Nalini Kattakayam received the annual bonus for the first time in her five years at Symbolis, Ms. Shalini Sampath, a colleague with seven years of tenure at Symbolis, told Nalini that this annual bonus was less a reflection of Nalini's performance and more a recognition of those who have fostered a strong rapport with the powers that be. Incidentally, Shalini had never received any performance bonus in her tenure at the company.

Q 4. Shalini's comments deeply hurt Nalini, especially since she had always considered Shalini to be a close friend. Nalini felt like declining the bonus, given her respect for and relationship with Shalini. Which of the following reasons, if true, will BEST dissuade Nalini from declining the bonus?

A Shalini, good at heart, is known for making insensitive comments.

B Shalini is known for confronting her boss whenever they changed deadlines.

C In her close group, Nalini is the first person to receive the bonus.

D Very few people, who are not considered loyal, receive the bonus.

E Shalini's irreverent comment about her previous boss pushed her out of that team.

Q 5. Since receiving the performance bonus, Nalini noticed a change in how her teammates behaved with her; they appeared indifferent towards her. Although there were no major issues, Nalini could not help but sense that her teammates began to perceive her as having a closer relationship with the top brass, following her recent accomplishment. Nalini assumed

that her teammates might be influenced by Shalini; consequently, they seemed to be avoiding informal interactions with her. As Nalini had to rely on the support of her teammates, what could Nalini BEST do to normalize her relationship with them?

A Do nothing in the hope that things will normalize in time.

B Confront Shalini and ask her to stop spreading rumors.

C Invite her teammates for dinner on a weekend.

D Start saying negative things about their bosses to her teammates.

E Talk to her teammates regarding their indifference towards her.

Q 6. A significant project recently arrived at Symbolis, and Nalini was chosen to spearhead it. She was given the autonomy to create her own team to collaborate and drive this project to success. Nalini wanted to build a team where each of the team members worked with great comradery. As Shalini had previous experience of working with the client, Nalini offered her to join the team. However, Shalini expressed her willingness to work on the project only on the condition that she would be appointed as a team leader.

Nalini was aware that the client was very difficult to work with. Of the three previous projects with the client, only the one, where Shalini was a team member, was successfully completed. What should be the BEST course of action for Nalini regarding the inclusion of Shalini in the team?

A Form a team without Shalini and inform her boss about Shalini's demand.

B Ask Shalini to reconsider as this project can be important to both of them.

C Tell her boss that Shalini should lead the team as she has worked with the client before.

D Complain about Shalini's attitude to the human resource manager.

E Request her boss to order Shalini to join the team.

Answer Key

Q 4: A

Q 5: E

Q 6: C

Caselet 3

Instructions: Read the following scenario and answer the THREE questions that follow.

Raman had been working tirelessly as a Project Manager in the IT department of Flying Groceries, a renowned app-based supply chain company, for the past three years. Having graduated from a top-tier engineering college, he dived straight into the corporate world, managing projects with great zeal that inspired his seniors.

At the end of his first year with Flying Groceries, impressed with his hard work, Raman's boss, Suraj, the founder-CEO of Flying Groceries, fast-tracked his promotion and made him Delivery Manager responsible for multiple projects of a vertical. Suraj also promised Raman the position of Chief Operation Officer in the fifth year of his tenure.

In search of a greater career trajectory, Raman pursued entrance exams for business schools. His efforts bore fruits as he secured a place in the country's best business school, known for a strong alumni base, stellar placement records and demanding academic requirements.

Raman was delighted; he had three months to join the business school. Flying Groceries demanded that any employee who wished to leave the organization should give at least a month's notice. Raman decided to continue working and enriching his work experience, which will be beneficial when applying to companies after graduating from the business school. Therefore, he decided not to share the news of the offer with anyone else for the time being.

Q 7. Flying Groceries was planning to implement a much-needed update to enhance the functionality and user experience of their app. According to Suraj, the update was expected to take at least six months to complete. Suraj wanted Raman to lead this project because his leadership was critical for the project's success. However, Raman knew that he would be there only for three months; he was not sure whether he should accept the project. Which of the following information, if true, will BEST assist Raman in accepting the role of leading the project?

A During his time with Flying Groceries, Raman finished some projects ahead of schedule.

B Raman could requisition more human resources to his team for the next three months.

C Suraj might advise against the update if he got to know that Raman was leaving soon.

D The last two projects Raman led were successfully completed by his subordinates during his exams.

E Raman had previously taken many projects home, and the business school would have no classes during the weekends.

Q 8. After a couple of months, Raman resigned. Suraj was shocked by Raman's resignation and asked him to reconsider his decision. When Raman expressed his inability to continue, Suraj felt betrayed. This led to a series of heated arguments between them, and they swore to never work together again.

Raman joined the business school; however, he soon realized that that summer internship placements were approaching. Consequently, he would require verification of his responsibilities from Flying Groceries.

Which of the following actions is the MOST appropriate for Raman to obtain his verification?

A. Raman should write a sincere and professional apology letter, expressing regret for the argument Raman had with Suraj.

B. Raman should write an email to Suraj, emphasizing Raman's roles and responsibilities, and request him to approve them.

C. Raman should contact the HR representative to facilitate the verification of Raman's responsibilities.

D. Raman should reach out to a mutual acquaintance within the company and ask her to intervene.

E. Raman should re-establish communication with Suraj through social media platforms like Facebook and persuade him there

Q 9. Raman received a verification letter from Flying Groceries outlining his basic job responsibilities during his tenure there. However, Raman required a document to substantiate the additional responsibilities he undertook at Flying Groceries by going beyond his call of duty. Sadly, he did not have any documentation of such additional responsibilities.

Which of the following options will BEST help substantiate the additional responsibilities Raman undertook?

A. Raman should create documentation, detailing quantifiable metrics and results about his extra work based on his memory

B. Raman should collect testimonials on his additional responsibilities from his ex-teammates at Flying Groceries.

C. Raman should write a public post on social media, appealing to Suraj, mentioning the challenges he faced while taking additional responsibilities, and how he overcame them.

D. Raman should call Suraj and explain that he will not be able to get a consulting or an

operations job without verification.

E. Raman should reach out to the recently recruited Chief Supply Chain officer at Flying Groceries to highlight the additional work he contributed to facilitate the officer's tasks

Answer Key

Q 7: E

Q 8: B

Q 9: B

Caselet 4

Instructions: Read the following scenario and answer the THREE questions that follow

Kasta, a small industrial town hosted a steel plant and its associated ancillary companies. Most of its residents were steel plant employees from different states of the country. While the town offered employment opportunities, it lacked an airport. For those wanting to fly, the nearest airport was in Michaelganj, 100 kms from Kasta. To reach the airport, people rented taxi services available at Kasta, and Prabhu was one such taxiservice provider.

Prabhu's rates were reasonable — a trip to airport cost Rs. 2200, but for a round trip, the fare was Rs. 3000. Yet, it was not just the affordability that made him popular, his reputation for punctuality and reliability was unmatched. When it came to ensuring the safety of women travelling alone, he would always be the first choice. Such was his trustworthiness that even the steel plant would solicit his services when expecting solo female visitors. Moreover, whenever residents encountered issues with their personal cars, they would turn to Prabhu for help

However, the world shifted when the COVID-19 pandemic struck. Travel restrictions and safety concerns limited Prabhu's trips to Michaelganj for over a year and a half. Financial strain followed, with accumulating interest on his home loan. He was weighed down by debt, but things improved once COVID-19 travel restrictions were lifted. Having faced financial hardships during COVID-19, he sought to offset his losses by raising the fare. Yet, he was aware of the stiff competition in town, where many others offered services at a similar fare as his.

Q 10. Prabhu decided to increase the taxi fare for all future trips. He planned to charge Rs. 3000 for a one-way trip to the airport, and Rs. 1000 more for a round trip. Which of the following facts will BEST help Prabhu's regular customers in accepting the increase in fare?

A Because, the cost of living has gone up in Kasta.

B Because, Prabhu is punctual and reliable.

C Because, Prabhu is facing financial hardships.

D Because, Prabhu offers repair services to residents' car-related issues.

E Because, Prabhu serves many top officials of the steel plant.

Q 11. After Prabhu increased his charges by 30%, the revenue flow was promising in the beginning, especially from the steel plant's official trips. After a few months, he noticed a dip in private bookings. On exploring further, Prabhu realized that while women travelling solo still preferred Prabhu's service, some of his regular customers were choosing his competitors when travelling as a family. However, he knew that his competitors, while charging lower than him, were still tardy and sometimes cancelled at the last minute. Which of the following options will BEST help Prabhu to retain his revenue flow?

A Revert the pricing of services to its prior rate.

B Give 50% discount for personal trips.

C Stick to his current increased charges.

- D Charge a premium when women travel solo.
- E Charge a premium for the steel plant's official trips

Q 12. Saroj, the new Chief Financial Officer (CFO) at the steel plant, used the services of Manoj when he first travelled from the Michaelganj airport to the plant. Manoj was a rival of Prabhu in the taxi service business at Kasta. Manoj, upon learning that Saroj would be responsible for hiring taxi services for the steel plant, charged Saroj only Rs. 1500 for that trip. Further, he assured Saroj to charge the same for a one way-trip and additional Rs. 500 for a round trip to the airport.

Upon realizing that the plant utilized Prabhu's services for all official trips to the airport, Saroj contacted Prabhu to discuss the rates offered by Manoj and inquired why the plant should continue using his service when Manoj provided the same at a lower price. Prabhu realized that Manoj charged an extremely low price just to push Prabhu out of his business in the Steel Plant.

Which of the following reasons given by Prabhu will BEST help his cause?

- A Prabhu should warn Saroj that Manoj's offer is not sustainable.
- B Prabhu should request Saroj to talk to a few of his colleagues before taking any decision.
- C Prabhu should introduce Saroj to Ms. Nidhi Tawde, his regular customer.
- D Prabhu should offer to lower his price to the one offered by Manoj, exclusively for the steel plant.
- E Prabhu should tell Saroj that Manoj is unreliable and tardy, and women are unsafe with him.

Answer Key

Q 10: B

Q 11: B

Q 12: C

Caselet 5

Instructions: Read the following scenario and answer the THREE questions that follow.

Ms. Vineeta Lama, a respected figure in the small town of Jampur, found herself stranded on the road, once again, when her old small hatchback car broke down. Finding herself alone on the deserted road with no one to help, Vineeta, in desperation called Shyam Saigal, the General Manager of Balaji Motors – the only dealership in Jampur that sells Diplomatico cars, the brand that Vineeta drives. Vineeta knew Shyam from her frequent visits for getting her hatchback car serviced. Surprisingly, he arrived within fifteen minutes, accompanied by a mechanic from his dealership. Further, he arranged for the vehicle to be towed and kindly offered Vineeta a ride home. On the way back, he advised Vineeta to exchange her old car with a new Sports Utility Vehicle (SUV) on a good discount from his dealership. He assured her that he would add several additional services to ensure her SUV remained in excellent condition for many years ahead.

Q 13. Due to her old car's frequent breakdowns, Vineeta decided it was a time to replace it. She was afraid whether buying a Diplomatico SUV from Balaji Motors, as suggested by Shyam, will be a right decision for her.

Which of the following pieces of additional information will help her the MOST in taking the right decision?

- A. She has no idea which SUV to choose, and she feels that all SUVs are the same.
- B. Her brother, an SUV enthusiast, staying in a metro city, has advised her to stay away from Diplomatico Cars.

C. In Jampur, SUVs have a 6-month waiting period; however, one red-coloured Diplomatico SUV, not her favourite colour, is available at Balaji Motors.

D. Jampur, being an old city with congested roads, has a parking problem in many areas.

E. A new dealership of Panther Motors, the highest selling car brand in the country, is about to come to the town soon.

Q 14. Shyam's satisfaction from meeting the month's quota for selling SUVs turned to dismay when one of his young executives nervously told him that he mistakenly punched an extended warranty for free to Vineeta's purchase contract earlier that morning. This could not be reversed from the company's system and meant a loss of Rs. 19,000 for the dealership. The executive was very sorry and was ready to take accountability. However, the amount was too large to be borne by the executive.

Shyam was not concerned about placing accountability, but rather the recovery of the loss. He was unsure whether he should ask Vineeta for the money.

The following pieces of information are available to Shyam:

A. Shyam is aware that Vineeta is very happy with the deal he gave her for the car.

B. Shyam feels that Diplomatico's software system is complicated for new employees, which might have also played a role in the error.

C. Vineeta has a wide network and can connect Shyam with many potential customers.

D. Vineeta's brother, a car enthusiast, has enough knowledge of how car dealers operate.

E. Shyam feels that if he maintains the current sales volume, he might be able to persuade Diplomatico to write off the amount (Rs. 19,000).

Which of the following combinations, of the above pieces of information, will MOST likely stop Shyam from trying to recover the money from Vineeta?

A A & B

B A & D

C C & D

D C & E

E B & E

Q 15. Three months passed. While returning from a friend's house, Vineeta's new SUV was hit by another car. Fortunately, she was not injured, but the SUV was badly damaged. Surprisingly, when Vineeta took the car for repairs to Balaji Motors, she was told that the repairs would not cost her anything as the extended warranty on her car covered such accidents. Vineeta could not recall purchasing such a warranty; hence, she contacted Shyam. Shyam informed her that the extended warranty was mistakenly punched into her contract by an executive. As this mistake could not be reversed due to the company's rigid policies, Shyam bore the cost of Rs. 19,000. He further added that Vineeta should consider it a gift from Balaji Motors for purchasing the highest-priced Diplomatico SUV.

As Vineeta rode back home, she wondered if she should pay Rs. 19,000 to Shyam since the extended warranty came to her aid that day.

Which of the following is the MOST compelling rationale for Vineeta to justify not paying Rs. 19,000 to Shyam?

A. She paid more for the Diplomatico SUV, compared to the price of a similar SUV from Panther.

B. She is aware that for expensive SUVs like hers, dealers often offer free extended warranty.

C. The mistake happened three months back and is water under the bridge now.

D. Had the accident not happened, she would not have been aware of the warranty.

E. Shyam would have come back to her if he had needed the money.

Answer Key

Q 13: E

Q 14: B

Q 15: D

Caselet 6

Instructions: Read the following scenario and answer the THREE questions that follow.

ABC Business School was a school with a difference. Regarded as one of the top business schools in western India, but relatively unknown beyond that, the school catered to smaller organizations seeking to hire students for sales and marketing positions, with occasional openings in HR roles. These students were open to secure job opportunities, even if they offered relatively lower salaries. The organizations, that recruited from ABC, did not really care for the talent, but appreciated the students' ability to follow orders without questioning them. The school's strength laid in its alumni, who consistently returned to the institution for recruitment, thereby ensuring the school's continued existence. Given the placement record, the school attracted a specific segment of business school aspirants, who wanted a solid job but were not excited about learning.

Q 16. Recently, some alumni of ABC threatened that their children should be given preference in admissions, or they would withdraw as recruiters. The director was, however, hesitant about allowing alumni to interfere in running the school because the fairness of the admissions process had earned ABC high respect within the corporate world that recruited from the school.

Which of the following reasons, if true, will BEST help the director NOT to worry about pandering to those alumni?

- A. The alumni were the reason that ABC was able to attract corporates.
- B. Some of the alumni were regularly teaching as guest faculty in the school.
- C. The alumni depend upon ABC's success to enhance their employability.
- D. No business school, in the region, has allowed alumni any say in managing the operations.
- E. ABC has not entertained any requests from the alumni till date.

Q 17. Across the country, business schools were ranked by popular magazines. A few business schools in the same region were applying for rankings, hoping that rankings will affect their visibility among corporate houses and recruiters. To achieve a good rank, ABC faculty members, who have primarily focused on teaching thus far, would need to actively engage in research and consulting activities. The director was aware that asking the faculty to switch to research and consulting would not be easy.

Which of the following facts will BEST help the director not to worry about applying for rankings?

- A. The alumni do not follow research publications in general.
- B. The alumni do not care for the teachers, or classes, in general.
- C. The alumni are aware that ABC offers a retainable talent pool.
- D. ABC's placements in the previous year were completed in 4 days.
- E. ABC could never break into the top 40 ranks in the country when it applied earlier.

Q 18. A few faculty members complained to the director regarding the lack of attendance and seriousness among many students during classes and exams. The director knew that this had been the case for decades but became more rampant in the last few years. He was also aware that the classes were mostly rituals, conducted to tell the world that ABC believed in education and had little bearing on placements. However, he believed that students must be told to attend classes and take exams with serious attitude.

Which of the following announcements by the director will BEST ensure that faculty stop complaining about student attendance?

- A. Students, who attend every class, should be given “thank you” notes from the director.
- B. Students should be asked to pay a monetary penalty for missing classes.
- C. Faculty members, who make classes very engaging, should be felicitated during the convocation.
- D. Only students, with at least 85 percent class attendance, will participate in placements.
- E. Students should be rewarded for contributing to in-class discussions and learning.

Answer Key

Q 16: D

Q 17: B

Q 18: C

Caselet 7

Instructions: Read the following scenario and answer the THREE questions that follow.

DeepSea is a natural gas extraction company that retrieves natural gas from rock formations beneath the seabed. This gas is then transported through its extensive pipeline network to a bottling plant, located at the sea surface, for processing. The gas in rock formations is pressurized, enabling it to flow to the surface and reach the bottling plant. Yet, excessive pressure can cause bursts in the pipeline, leading to uncontrolled gas release, known as blowout. A blowout carries a staggering cost, encompassing not only environmental damage but also reputation loss and financial losses totaling crores of rupees. Additionally, the impacted section of the pipeline requires a complete replacement.

Industry safety regulations divide the pipeline network into three levels: Level 3 is the part under the seabed, Level 2 is the part above the seabed but in the deep sea, while Level 1 is near the surface. The safety regulations require multiple blowout preventer valves, from now on simply referred to as valves, to be placed at the three different levels of the pipeline network. The valves are normally kept closed, but when the pressure in any part of the pipeline rises beyond a critical level, nearby valves are opened remotely to release the pressure in a controlled manner to prevent blowout. The number of valves across the pipeline helps localize the pressure release, with a greater number of valves providing a backup mechanism, helping in improving pressure localization in case of a blowout. Given that the valves themselves can occasionally malfunction and not release the pressure when needed, using a higher number of valves ensures that a malfunctioning valve can seek the safety of a nearby functioning valve.

A valve can malfunction in two ways: it may fail to release pressure when needed, as previously mentioned, or it can leak gas during regular operation, resulting in unwanted losses. When a valve malfunctions, it necessitates manual replacement.

In the DeepSea Network, 30% of the valves are located at Level 3, which is the deepest level. The remaining valves are evenly distributed between the top two levels. These valves are critical to ensuring safety and are exclusively supplied by GoValve, a highly specialized manufacturer that holds a monopoly in the country’s market.

Q 19. GoValve has recently proposed a maintenance package for the valves to DeepSea, which includes a clause that whenever a valve at Level 3 malfunctions, all valves at that level will be replaced. Accepting the clause will cost a significant premium. The management of DeepSea have the following pieces of additional information under consideration:

- A. The valves are known to be prone to malfunction.

- B. Any malfunction in one valve often results in leakage from the neighboring valves.
- C. GoValve is ready to negotiate a discount if the clause is accepted.
- D. Replacing the valves at Level 3 is a very difficult job, which is best done by GoValve.
- E. The chances of pressure buildups are higher near the seabed.

Which of the following combinations, of the above pieces of additional information, will help the management of DeepSea the MOST in accepting the clause?

- A A, B & D
- B A, B & E
- C B, C & D
- D A, C & D
- E C, D & E

Q 20. A startup, SafeValve, has started importing a technologically superior brand of valves from abroad, which boasts a significant reduction in gas leakage. SafeValve has established a large inventory of these imported valves but is struggling to gain foothold in the local market. An NGO, working for the protection of marine lives, has appealed to DeepSea to replace their existing valves with the product from SafeValve. However, the installation of this new valve will require substantial modification in the pipeline, entailing unknown challenges in installation and maintenance.

Which of the following reasons, if TRUE, can DeepSea BEST cite to publicly reject the appeal?

- A The new valves cost twice as much as the existing valves.
- B GoValve is a reputed brand and had a partnership with DeepSea for a long time.
- C Only some developed countries have mandated the use of the new valves.
- D SafeValve depends exclusively on imports and may be prone to procurement issues.
- E GoValve follows the strictest global industry standards of leakage prevention.

Q 21. A startup, SafeValve, has started importing a technologically superior brand of valves from abroad, which boasts a significant reduction in gas leakage. An update to industry safety regulations has come out, which allows a lower number of valves in a pipeline network, if technologically superior valves, similar to those imported by SafeValve, are used for the entire network.

DeepSea is aware that the more the number of valves, the better is DeepSea's ability to contain blowouts. However, a higher number of valves increases the chance of a leakage. Therefore, DeepSea is contemplating a proposal to reduce the number of valves to almost half, by replacing the existing valves (by GoValve) with the valves sold by SafeValve. A team, tasked with evaluating the proposal, has made some observations, listed below.

Which of the following observations is the MOST helpful in REJECTING the proposal?

- A. There is no clear industry standard for the minimum number of valves required at a certain level.
- B. At Level 1, the chance of a pressure rise is much lesser compared to the other two levels.
- C. At Level 3, a blowout results in more time consuming and expensive repairs compared to the other two levels.
- D. The superiority of the SafeValve products is only in terms of preventing leakage, not blowouts.
- E. If a GoValve valve is opened to prevent a blowout, the chance of leakage from the valves within a certain distance increases.

Answer Key

Q 19: D

Q 20: E

Q 21: E