

# XAT DM Bible

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## Year wise importance in XAT Exams

Year	HR	Ethics	S&M	Operations	Total
2025	3	3	3	6	21
2024	3	5	9	4	21
2023	7	0	3	12	22
2022	6	4	3	8	21
2021	3	3	12	3	21
2020	3	3	6	9	21
2019	6	0	12	1	19
2018	4	2	2	10	18
TOTAL	35	20	50	53	161

# XAT Decision Making by Cetking

## 1. HR Policy & Internal Process

This category focuses on situations within an organization involving internal team dynamics, motivation, fairness, and policy application. It often has the highest number of questions across a set of DM caselets.

Theme	Common Situations	Examples from XAT PYQ
Performance Promotion &	Issues of fair appraisal, managing ambitious/underperforming employees, and the tension between merit and favoritism/hepatism.	Ashraf's Promotion anxiety (XAT 2021), Nalini's Bonus/Teammate indifference (XAT 2024), Rakesh's Job Offer decision (XAT 2020)
Workplace Policy & Culture	Dealing with policy misuse (like faking sick leave), managing cultural rituals (like hazing), and balancing flexibility with strict rules.	Faking illness at JTF (XAT 2023), Law firm's Socialization Ritual (XAT 2025)
Diversity & Inclusion	Integration of marginalized groups into the workforce, often conflicting with feasibility or existing employee resistance.	Hiring Visually Impaired Candidates (XAT 2023)
Team Conflict/Mentorship	Resolving disputes, managing a subordinate's non-compliance, or a mentor's biased instructions.	Vindhya's biased project mentor (XAT 2020)

### XAT 2025 Exam BDM Actual Question

Scenario: 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. The association was delighted by his generous assurance. Sundaram hoped to make up the difference through volume. Although sales were strong during the initial months, he soon realized that the SUV-owning residents primarily purchased from branded retail chains in the main town. These stores offered deeper discounts. Gradually, Sundaram's store became their go-to for daily essentials and occasional urgent big purchases.

Ques 1: While reviewing his monthly accounts, Sundaram realized that he was barely breaking even due to the substantial rent. Which of the following will be the most sustainable way to increase his 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.

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- 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.

Ques 2: To increase his profits, Sundaram diversified into selling vegetables. Earlier, a vegetable vendor visited the gated community once a week. After seeing dismal sales, he stopped visiting. The residents' association lost rental income and their maintenance staff lost free/cheap vegetables. Which option best addresses their concerns?

- A. Impose a fine on Sundaram since he was not contracted to sell vegetables.
- B. Ask Sundaram to give a specific quantity of vegetables to the maintenance staff for free.
- C. Discount the rent for the vendor and ask him to continue.
- D. Request bids to open another grocery store in the vacant place.
- E. Ask Sundaram to use the erstwhile vendor space for vegetables and pay rent.

Ques 3: Sundaram got contracts with two more communities but started losing business to Rush'em, a fast-delivery startup. What should he do to ensure revenues don't fall?

- A. Not bother since the nearest town is 30 kilometers away.
- B. Employ helpers who will home-deliver within 10 minutes across the three communities.
- C. Demand that rent be reduced to one-third.
- D. Start giving discounts on every product.
- E. Explore starting his own delivery startup.

## XAT 2024 Exam BDM Actual Question

Scenario: ABC Business School in western India was known for placements, not learning. Students and recruiters valued obedience more than skill. Alumni ensured continuous recruitment. Many students lacked seriousness in classes and exams.

Ques 4: Which announcement by the director will best ensure faculty stop complaining about low attendance?

- A. Faculty members who make classes engaging should be felicitated.
- B. Students should be asked to pay a penalty for missing classes.
- C. Students should be rewarded for contributing to discussions and learning.
- D. Students who attend every class should get thank-you notes.
- E. Only students with 85% attendance will participate in placements.

Scenario: Mr. Singh employed two domestic helps, Vimla and Sharda. When Sharda was on leave, Mr. Singh's gold ring went missing. He suspected theft and terminated Vimla. Later, Sharda found the ring. Mr. Singh rewarded her but did not reinstate Vimla. The news upset domestic workers in the society.

Ques 5: Which policy option will best minimize employers suspecting domestic workers of theft?

- A. Daily search of domestic workers by security guards.
- B. Domestic workers' address and contact details must be submitted.
- C. Security must first conduct a search of the affected house.
- D. Termination on suspicion without proof requires paying one month's salary.
- E. Employer must publicly apologize if the domestic worker proves innocent.

## XAT 2023 Exam BDM Actual Question

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Scenario: At Jamshedpur Tea Factory, employees often skipped work by faking illness. Promotions required multi-skilling training; training required recommendation by six of eight supervisors. Leave fraud made decisions difficult.

Ques 6: Which action is most efficient for JTF and fair to employees?

- A. CEO office decides on leave and promotions.
- B. Supervisors decide on leave.
- C. CEO office decides promotions; each supervisor decides leave.
- D. CEO office decides leave; supervisors recommend promotions.
- E. Status quo continues.

Ques 7: Which policy is most prone to error when selecting sincere employees?

- A. Outsource leave decisions to a doctor.
- B. Outsource leave decisions to a lawyer.
- C. CEO decides leave; supervisors recommend promotion.
- D. CEO decides both leave and promotion.
- E. CEO decides promotion; supervisors decide leave.

Scenario: Board wanted to increase diversity by hiring visually impaired employees. CEO Arti was unsure of feasibility and contribution. A committee recommended:

1. Unconditional hiring as a social responsibility
2. Hire them in roles they can contribute
3. Ensure visually impaired friendly office spaces
4. Allow guide dogs on premises

Ques 8: Which option best allays concerns and is fair?

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

Scenario: Complaints of sexual harassment at Fair Consulting increased. Allegations/counter-allegations made cases hard to judge.

Ques 9: Which intervention will employees find least ostracizing?

- A. 2 only
- B. 1 only
- C. 1 & 2
- D. 3 only
- E. 2 & 3

Ques 10: Which sequence best reduces committee errors?

1. Hear complainant & accused together
2. Hear them separately
3. Involve women's commission member
4. Take help of retired judge
5. Hire forensic expert

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

Ques 11: A witness agrees to testify but wants anonymity. What should the convenor do?

- A. Not reveal identity as either party can misuse testimony.
- B. Not reveal identity to protect witness from threats.
- C. Ensure the witness identifies herself to avoid frivolous proof.
- D. Maintain anonymity to prevent complainant sabotaging inquiry.
- E. Ensure witness identifies herself because both sides must.

## XAT 2022 Exam BDM Actual Question

Scenario: A2Z engineering college wants newly recruited faculty to meet teaching + research benchmarks for confirmation. Aparna, a strong researcher, shifted focus to social outreach during COVID, harming teaching and research. Confirmation due in one year.

Ques 12: Which action best communicates research importance while being fair?

- A. Appreciate outreach but advise focusing on research and teaching.
- B. Extend probation by a year and remind requirements.
- C. Suggest looking for a new job.
- D. Ask her to suspend outreach till probation ends.
- E. Increase requirements and extend probation by two years.

Ques 13: Aparna continues outreach, gains media praise, CM wants her help. Dean fears losing her but wants to send message that research matters. What is most sustainable?

- A. Confirm her, freeze increments until research improves.
- B. Create a non-teaching outreach officer role; terminate teaching role.
- C. Offer a five-year contract after which she must leave.
- D. Extend probation by three years.
- E. Treat her exceptionally and confirm her.

Ques 14: Aparna tells media she fears losing her job; council asks Dean to review policy. Dean thinks changing policy hurts research goals. What should he do?

- A. Tell her institute wants to retain her but she must focus on research.
- B. Tell her she is being let go for insulting the college.
- C. Give interview highlighting her lack of research.
- D. Confirm her but ask her to publicly acknowledge importance of research.
- E. Confirm her but tie future promotions to research/teaching.

Scenario: Future Leaders School charges 2 lakh annual fee; 20% parents have paid after pandemic lockdown and fee reduction mandate. Trustees suggest actions:

- P. Appeal to industrialists
- Q. Withhold 20% of teachers' salary
- R. Ask parents to pay within a week or show proof
- S. Stop online classes for a week
- T. Add new sections and admit anyone who pays

Ques 15: Which combination in decreasing order best solves immediate financial crunch?

- A. QRSP
- B. RSQTP
- C. PSTRQ
- D. PRSQT
- E. TSRPQ

## XAT 2022 Exam BDM Actual Question

Scenario: Future Leaders is one of the most prestigious private schools in a small town, next to an industrial hub. Most of its students come from affluent families, but there are some who belong to middle-income and lower middle-income families as well. The school charges an annual fee of ₹2 lakhs, inclusive of all charges, payable at the beginning of the academic year. Roughly 20% of the fees collected goes into paying the salaries of the teachers, another 30% for the upkeep of the school, and roughly 20% for miscellaneous expenses in running day-to-day businesses like supply, cleaning etc. The remaining goes into an exigency corpus. This year, like the rest of the country, the town has been hit by the coronavirus pandemic. The classes have been shifted online. The local authorities have mandated that all schools have to reduce their fees by 20%. Further, parents should be given extended time to pay the fees if they are in financial distress. Six months into the academic year, only 40% of the parents have paid even the reduced annual fees.

Ques 16: Teachers of Future Leaders contribute to its stellar reputation. Biswas wants to discuss reducing teachers' salaries by 20% with the board. Which of the following, if true, will best enable Biswas to present his case?

- A. 30% of the most experienced teachers may resign if there is a pay cut
- B. Teachers' salaries are a significant part of the school's operating cost
- C. Most teachers are alumni and should give back via a pay cut
- D. Future Leaders pays higher salaries than other schools in the city
- E. Two other well-known private schools in the city, struggling to survive, have resorted to a pay cut

Scenario: FuRSCA is an R&D unit of a PSU with scientists living on campus. Houses are allotted from a queue based on date of joining; CAO executes this policy.

Ques 17: Harsh Kohli wants to move from a 3-series house to a 2-series house; house no. 224 becomes vacant and five scientists wait in the queue with Sauf Tangud on top. What should the CAO do without violating policy?

- A. Allot house no. 224 to Sauf, asking Harsh to negotiate a swap with Sauf
- B. Create a separate queue for extant residents and give them first right to refuse
- C. Ask Harsh to join the queue because queue scientists have priority
- D. Ask Harsh to move into house no. 224 immediately, and allocate Harsh's house to Sauf
- E. Ignore Harsh's request since it violates the housing policy

Ques 18: Many 3-series residents request moves because of factory noise. Due to limited housing, which action best helps the CAO make 3-series lives more comfortable?

- A. Install expensive sound-proof windows in the 3-series quarters

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- B. Provide 3-series residents a hardship allowance of 15% of basic salary
- C. Appeal to top management to make the factory work only five days a week
- D. Offer higher HRA to 3-series residents, nudging them to move to the city
- E. Introduce accelerated promotion policy for junior scientists living in 3-series quarters

## XAT 2021 Exam BDM Actual Question

Scenario: Ashraf at NuTech replied to an urgent email from [sridevi@nutich.com](mailto:sridevi@nutich.com) and sent gift vouchers worth ₹50,000; later discovered it was a phishing email. He asks Sridevi for help getting compensated.

Ques 19: Which combination of Ashraf's reasons will best help Sridevi take up the compensation issue with top management?

- 1. I erred; however, my financial rectitude is on record.
- 2. I acted in the greater interest of the company.
- 3. The spam mail reached my inbox due to failure of the company's email filter.
- 4. A NuTech employee who was robbed of ₹20,000 of company cash was not punished.
- 5. In the past, some acquaintances had been similarly duped.

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

Ques 20: Sridevi doubts Ashraf's competencies and shares observations in a meeting. Which combination, if true, best goes against Ashraf's chances of promotion?

- 1. Ashraf is poor at verbal communication, critical at higher levels.
- 2. Ashraf should have been perceptive, even though the filter failed him.
- 3. Ashraf joined the email filter team one month prior to receiving the phishing emails.
- 4. Ashraf rushed to act on Sridevi's request despite his busy schedule.
- 5. Ashraf appears highly anxious to get promoted.

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

Scenario: Saradeep & Sons proprietor Saradeep wants Sandeep to join the family business though Sandeep prefers law school. Saradeep asked Kesar to decide head of a new plant to mirror existing culture.

Ques 21: Which candidate is the best choice for head of the new plant?

- A. Taapsi, who heads another plant two hours away, could take additional charge
- B. Sandeep, who has about ten months left to join National Law School
- C. Suhasini, an MBA and Kesar's wife, who was a homemaker for fifteen years
- D. Surendra, deputy head of largest plant, with thirty years' service, retiring in seven years
- E. Dhanush, most technically qualified, joined three years ago from college

# XAT Decision Making by Cetking

## XAT 2020 Exam BDM Actual Question

Scenario: Rakesh from SPCIL considers an offer from Grow and Prosper (G&P) paying three times his salary. Facts to consider.

Ques 22: Which combination of facts will best help Rakesh decide on joining G&P?

1. Recent government policy makes poor performance punishable by salary reduction or dismissal.
2. First assignment at G&P is a bridge project near Dhanbad.
3. With current savings, Rakesh need not depend on regular income for at least six months.
4. Though exemplary, Rakesh has hardly been recognized at SPCIL.
5. At G&P, based on review he will either earn double the salary or get fired.

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

Ques 23: Rakesh worried about bribery at G&P and reflected on interview statements. Which sequence is the most appropriate descending order of bribing undertones?

1. Interviewers puzzled how Rakesh could manage EMIs with current income.
2. One interviewer probed how he met deadlines with little cooperation.
3. "What would you do if project has a fortnight's deadline but permit takes a month?"
4. Question: "Should a pack of dacoits share their loot with one who had killed a bystander against their motto 'Thou shalt not kill'?"

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

## XAT 2019 Exam BDM Actual Question

Scenario: You are HR Manager at Vikash Educational Charitable Trust reporting to Ms. Deelipa. Two internal candidates Mr. Rana and Mr. Charan interviewed for Consultant Professor; Charan selected. Rana complains.

Ques 24: What is the best way to handle Rana's issue?

- A. Empathize, but say the process was fair and assessment details could be shared.
- B. Tell Rana he could write to HR Director and you would act per directives.
- C. Offer tea, let him moan and get it out of his system.
- D. Tell Rana the Institute finds the right person, not the longest-serving.
- E. Warn Rana his complaint will be held against him in next promotion cycle.

Ques 25: You must call tenders for Non Teaching Staff Induction Training, shortlist five agencies from 20, present in two days. Review responses:

1. Rate all 20 agencies 1-5 on available info and select top 5.
2. Select five lowest bids by price.

# XAT Decision Making by Cetking

3. Seek selection criteria from Deelipa and HR Director and shortlist accordingly.
4. Follow advice of a person who completed a similar task.

Which descending order of effectiveness is best?

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

Ques 26: You must run a campaign to attract and appoint 10 teaching assistants in 4 weeks; retention of recruits is a measure of success. Review measures:

1. Shortlist apt candidates reflecting Trust values from wide advertisement respondents.
2. Design an ad to attract value-matching candidates, release timely, re-validate credentials at shortlisting.
3. Repeat the prior process used by the Trust.
4. Seek expert advice on drafting an attractive advertisement.

Which descending order of effectiveness is best?

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

Ques 27: Induction program slots are fully booked for 3 months. Mr. Surya requests training eight new teaching assistants immediately. Deelipa wants you to handle it. Which descending order of responses to Mr. Surya is best?

1. Inform him schedules once drawn cannot be changed.
2. Permit a new agency to run induction sessions as a special case.
3. If some inductees drop out in first month, some can be accommodated.
4. You, as HR manager, would conduct induction after office hours.

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

Scenario: PR Department spent only 4 crores of 16 crore budget with 2 months left; Assistant Director overloaded and unwilling to spend; Director wants full utilization.

Ques 28: Best course of action?

- A. Repeat advertising done so far 3 times and exhaust amount.
- B. Rely on operational experience of Director and Assistant Director and start spending optimal amount.
- C. Surrender the budget so others can utilize it.
- D. Hire specialized external agency to study gaps within a fortnight and follow recommendations.

# XAT Decision Making by Cetking

E. Request higher authorities to reallocate remaining amount to other departments.

Ques 29: Which new development would most justify larger utilization of the advertising budget?

- A. Advertising agencies announced 25% rate reduction.
- B. An internal committee recommended improving service delivery.
- C. The organization approved a new major scheme for immediate implementation.
- D. Findings of a baseline study on communication needs are now available.
- E. A new Assistant Director posted exclusively to look after publicity.

## XAT 2018 Exam BDM Actual Question

Scenario: Satyender heads a micro-finance branch supervising three collection officers Palani, Sayed and Godwin. Palani was recently transferred.

Ques 30: Sayed fears Palani's transfer may pull down branch performance. Which information will most assuage Sayed?

- A. In past 12 years as head, Satyender exceeded targets every time.
- B. Palani was a top performer; performance deteriorated only in last three years.
- C. Branch performance has been good for past 10 years; Sayed joined 3 years back.
- D. When Sayed joined as fresher, others feared he might lower performance.
- E. While calculating branch performance, head can exclude new joinee's performance.

Ques 31: Palani's travel bills were 30% higher than expected. Which option, if true, will let Satyender take a decision that sets a precedent least likely to be misused?

- A. Palani uses autorickshaws which are more expensive than colleagues' motorcycles.
- B. Palani's house has very poor public transport connectivity.
- C. Palani's sales territory has a powerful competitor.
- D. Palani's customers can meet him only during weekends.
- E. Palani has to visit customers repeatedly as they require additional persuasion.

Scenario: Ratan Brothers promoted Bhushan (nephew) to head of procurement; supplier Dev and Sons accused competitor bribed Bhushan after losing contract. Share price fell.

Ques 32: Best immediate action for Ava to stem falling stock prices?

- A. Fire Bhushan, blacklist Dev and Sons and inform the press.
- B. Issue a press statement that a committee has been formed to look into the matter.
- C. Issue a press statement that company quality standards increased and anyone is welcome to scrutinize documents.
- D. Cancel remaining order and call for a fresh tender.
- E. Do nothing, as Bhushan has right to decide on supplier.

Ques 33: Committee exonerated Bhushan but rumors of nepotism spread. Best response from Ava?

- A. Do nothing, committee exonerated Bhushan.
- B. Force Bhushan to resign temporarily; make independent enquiry; reinstate if innocent.
- C. Communicate to shareholders that such practices are common.
- D. Sack employees who questioned Ava's authority.
- E. Explain in a town hall how decision to exonerate Bhushan was taken.

# XAT Decision Making by Cetking

Ques 34: Vigilance discovered financial irregularities attributable to Bhushan earlier. Board demands response. Ava contemplates actions:

1. Offer to resign as CEO
2. Sack Bhushan immediately and make reason public
3. Hold town hall and deny irregularities
4. Tell board that financial health is her top priority and she delivered stellar performance
5. Inform board Bhushan was promoted because his initiatives helped company

Which sequence is most appropriate?

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

Scenario: Ramesh's employee Pankaj died leaving wife and two children; employees want the wife employed on compassionate grounds. Ramesh formed a committee with suggestions.

Ques 35: Which options are most sustainable for Pankaj's family?

1. Create a fund for immediate family expenses
2. Finance the children's school and college education
3. Sponsor vocational education for his wife and help find a job
4. Purchase insurance for all family members
5. Request all employees to contribute to family welfare

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

Ques 36: Which policy statement will be the least amenable to misuse in future?

- A. Firm should provide one job to any direct dependent of deceased employee.
- B. Firm should provide one job to any dependent if employee dies during service.
- C. Firm should provide one job to any dependent if family has no other support and employee dies during service.
- D. Firm should provide help to dependent family members in pursuing education and employment.
- E. Firm shall constitute a committee with fair representation to decide case specifics.

Ques 37: Madhuri Apte's studio apartment gets good feedback except guests find digital lock operation complicated. Which is best?

- A. Switch to a physical lock.
- B. On request, send physical keys five days ahead at extra charge of \$75.
- C. Request cleaner to explain digital access code to customers for extra charge.
- D. Do nothing as digital locks shall be the norm.
- E. Create a video manual on "how to use the digital access code" and e-mail it to customers before arrival.

# XAT Decision Making by Cetking

Ques 38: Madhuri left a spare physical key for guests but some forget to leave it at checkout. Making a spare key costs \$500 and takes 10 days. Best solution?

- A. Keep digital lock only and communicate to customers.
- B. Be present during checkout to ensure key is returned.
- C. Request cleaner to be present during checkout.
- D. Send polite reminders to guests before checkout date and on checkout day to leave key.
- E. Charge security deposit of \$100 forfeited if keys not left behind.

# XAT Decision Making by Cetking

1

Answer Key: A

Explanation: Offering to procure unavailable items on residents' demand leverages Sundaram's proximity and trust; it increases value and revenue without large inventory risk. It preserves margins by charging a service or small markup and deepens customer loyalty.

Why others are wrong: B (rent negotiation) may fail contractually or strain relations; C (40% discount) erodes margins unsustainably; D (leaflet) has limited impact on repeat buyers; E (remove discounts) risks losing price-sensitive customers.

2

Answer Key: C

Explanation: Discounting the vendor's rent to encourage him back restores market competition, preserves the informal benefit to maintenance staff, and compensates the residents' association for lost rent. It solves the association's concerns while keeping Sundaram's business model intact.

Why others are wrong: A (fine Sundaram) is punitive and escalatory; B (force free veg to staff) is arbitrary and unfair; D (open bids for another store) is slow and unnecessary; E (ask Sundaram to rent old vendor space) penalizes Sundaram despite community benefit.

3

Answer Key: B

Explanation: Employing local home-delivery helpers gives Sundaram the same convenience edge as Rush'em at far lower fixed cost and leverages his local knowledge across three gated communities. Quick delivery plus personal relationships can retain customers.

Why others are wrong: A (ignore) underestimates competitive threat; C (demand rent reduction) is unrealistic and unlikely to be granted; D (across-the-board discounts) harm margins; E (start full startup) is capital- and time-intensive and risky.

4

Answer Key: E

Explanation: Restricting placement eligibility to students with at least 85% attendance ties the most powerful incentive (placements) to the desired behaviour, ensuring compliance efficiently. It directly addresses faculty concerns about attendance impacting learning.

Why others are wrong: A (felicitate engaging faculty) is indirect; B (monetary penalty) may be administratively contentious; C (reward in-class contributions) is positive but weaker for sheer attendance numbers; D (thank you notes) lacks sufficient deterrence.

5

Answer Key: A

Explanation: Implementing a uniform exit-search reduces ad hoc suspicion and deters theft attempts; it is a clear, neutral procedure that protects employers and workers equally. It addresses the root cause—fear of theft—through a transparent process.

Why others are wrong: B (collect addresses) invades privacy and may not prevent suspicion; C (search the house first) is intrusive and may escalate conflict; D (compensate terminated) is retrospective and costly; E (public apology requirement) is punitive and difficult to enforce.

6

# XAT Decision Making by Cetking

Answer Key: D

Explanation: Centralizing leave decisions while keeping promotion recommendations with supervisors separates routine operational control from informed performance evaluation, reducing gaming and ensuring promotions reflect supervisor knowledge. It balances consistency and localized insight.

Why others are wrong: A (CEO decides both) concentrates power and loses supervisor insight; B (supervisors decide leave) risks inconsistency; C (CEO decides promotions; supervisors leave) places promotions far from daily performance data; E (status quo) perpetuates problems.

7

Answer Key: E

Explanation: Letting the CEO decide promotions while supervisors decide leave severs the link between observed day-to-day performance and promotion decisions, increasing the chance of misjudging deserving employees. Information asymmetry creates errors.

Why others are wrong: A & B (outsourcing leave to doctor/lawyer) are flawed but not as directly damaging to promotion accuracy; C centralizes leave under CEO but keeps supervisors' voice on promotions (less error-prone than D); D (CEO both) concentrates decisions but still keeps promotion linked to central criteria.

8

Answer Key: E

Explanation: Options 2, 3 and 4 together (role-appropriate hiring, accessible infrastructure, and guide dogs) provide practical accommodations while ensuring visually impaired employees can contribute meaningfully. This combination balances social responsibility and operational feasibility.

Why others are wrong: A & B alone are incomplete—unconditional hiring without accommodations (1) risks poor fit; 3 and 4 without role-matching may be insufficient; D (3 & 4 only) omits role allocation and risks inefficiency.

9

Answer Key: B

Explanation: Education about the anti-harassment policy raises awareness without singling out individuals, reducing incidents via culture change and training rather than profiling or punitive measures that can ostracize staff.

Why others are wrong: A (profiling) is stigmatizing; C (education + profiling) still includes harmful profiling; D (discipline only) is reactive and can intimidate; E (profiling + discipline) is most ostracizing.

10

Answer Key: E

Explanation: Hearing parties separately first reduces intimidation and bias; hearing them together can clarify contradictions; forensic evidence strengthens factual basis. The sequence 2,1,5 minimizes errors and protects fairness.

Why others are wrong: A (1,2,4) mixes joint hearings early and a judge but misses separate initial accounts; B (2,4,1) places judge before collaborative reconciliation; C (2,3,4) omits forensic evidence; D (1,2,3) starts with joint hearing, which may intimidate complainant.

11

Answer Key: B

Explanation: Protecting witness anonymity minimizes risk of retaliation and encourages truthful testimony; the committee can still evaluate evidence while safeguarding the witness. This stance balances inquiry integrity with personal safety.

Why others are wrong: A and D focus on misuse fears but ignore personal safety; C and E demand identification, risking witness withdrawal and chilling future reports.

12

Answer Key: A

Explanation: Praising Aparna's outreach while advising a refocus on research and teaching communicates institutional priorities without immediate punishment, preserving morale and fairness while setting clear expectations for confirmation.

Why others are wrong: B (extend probation) is punitive without first counselling; C (suggest look for new job) is harsh and wastes talent; D (suspend outreach) is heavy-handed; E (increase requirements + long probation) is disproportionate.

13

Answer Key: D

Explanation: Extending probation by three years with clear targets gives Aparna time to meet research expectations while retaining her and signalling institutional standards; it balances individual circumstances and organizational goals.

Why others are wrong: A (confirm but freeze increments) weakens standards; B (create non-teaching outreach role) wastes her teaching capacity; C (five-year contract) is arbitrary; E (exceptional confirmation) undermines policy.

14

Answer Key: A

Explanation: Privately reassuring Aparna while emphasizing research expectations avoids public shaming, preserves reputation, and aligns future behaviour with institutional goals. It is measured and constructive.

Why others are wrong: B and C publicize the issue and harm reputations; D forces a public statement which can embarrass Aparna; E (confirm but tie promotions) may be acceptable but is less immediate than private corrective communication.

15

Answer Key: A

Explanation: QRSP orders actions by immediate cash recovery and feasibility: Q (withhold partial salaries) and R (ask parents to pay or show distress) are quickest liquidity levers; S and P address optics/fundraising; T is longer-term. This ordering prioritizes immediate solvency.

Why others are wrong: B, C, D, E orderings deprioritize urgent cash measures or propose less feasible/long-term fixes first.

16

Answer Key: E

# XAT Decision Making by Cetking

**Explanation:** Evidence that two comparable private schools have already implemented pay cuts provides a strong precedent and reduces political resistance, making Biswas's proposal more defensible and contextually grounded.

**Why others are wrong:** A predicts resignations and undermines case; B is true but not persuasive alone; C is moralistic; D (higher pay relative) argues fairness but doesn't show necessity.

17

**Answer Key:** D

**Explanation:** Allocating house 224 to Harsh and moving Sauf into Harsh's existing house resolves the immediate humanitarian need while preserving the queue and avoiding policy change; it is pragmatic and minimally disruptive.

**Why others are wrong:** A asks Harsh to negotiate (burdensome); B creates a precedent-changing queue; C forces Harsh to rejoin queue (ignores his residency); E ignores a valid request.

18

**Answer Key:** A

**Explanation:** Installing sound-proof windows directly mitigates noise complaints and improves living conditions in a durable way. It addresses the cause without creating recurring allowances or policy distortions.

**Why others are wrong:** B (hardship allowance) is recurring cost and may not fix quality of life; C (factory schedule change) is impractical; D (higher HRA) incentivizes relocation rather than improve campus life; E (promotions) distorts HR policy.

19

**Answer Key:** B (1, 2, 3)

**Explanation:** Combining admission of error, motive of acting for company interest, and system failure (email filter) frames the case as an honest mistake compounded by technical lapse — strongest for seeking compensation.

**Why others are wrong:** A includes anecdotal 4 which weakens systemic claim; C lacks admission of error; D relies on less relevant anecdotes; E omits the technical failure point.

20

**Answer Key:** C (1, 2, 3)

**Explanation:** Poor verbal skills, lapses in perceptiveness, and short tenure on the email-filter team together indicate capability and judgement issues relevant to promotion, making them strongest negatives.

**Why others are wrong:** A and B include different combos but B (1,3,5) lacks explicit perceptiveness critique; D (1,2,5) omits tenure context; E includes rushed action which is less decisive.

21

**Answer Key:** A

**Explanation:** Taapsi already leads a plant and understands the culture; additional charge is least disruptive and best for culture replication. Experience and proven leadership outweigh other considerations.

# XAT Decision Making by Cetking

Why others are wrong: B (Sandeep) is leaving; C (Suhasini) lacks recent work experience; D (Surendra) close to retirement; E (Dhanush) inexperienced for head role.

22

Answer Key: B (5, 4, 2)

Explanation: Rank 5 (high reward/termination risk) then 4 (lack of recognition at SPCIL) then 2 (assignment location) highlights performance-risk tradeoff and personal incentives, the most decision-relevant ordering.

Why others are wrong: A, C, D, E reorder less relevant items or omit core reward-risk framing.

23

Answer Key: C (3, 1, 2, 4)

Explanation: The permit/deadline scenario (3) most directly implies bribery pressure; EMI puzzlement (1) signals financial motive; deadline/cooperation pressure (2) is situational; abstract moral question (4) is least indicative.

Why others are wrong: Other orders place less direct indicators ahead of stronger ones.

24

Answer Key: A

Explanation: Empathizing and offering to share assessment details is conciliatory, transparent, and preserves trust while addressing the grievance through process.

Why others are wrong: B defers responsibility; C is dismissive; D is brusque; E is punitive and escalatory.

25

Answer Key: E (3, 1, 2)

Explanation: First get selection criteria from stakeholders, then rate agencies accordingly, and finally consider price. This ensures alignment with needs and informed shortlisting.

Why others are wrong: A (advice then rate then criteria) skips stakeholder inputs early; B (rate then criteria) risks mismatch; C (criteria but then pick cheapest) undervalues quality; D (price-first) is weakest.

26

Answer Key: B (2, 1, 3)

Explanation: Designing a targeted ad and re-validating credentials (2) brings quality applicants; shortlisting apt candidates (1) follows; repeating old process (3) is least effective. Why others are wrong: A, C, D orderings place less effective steps first or include weak repeats.

27

Answer Key: D (2, 4, 3, 1)

Explanation: Allowing a vetted external agency solves timing fast; offer after-hours by HR as backup; consider dropouts as contingency; claiming immutability is least helpful.

Why others are wrong: Other orders prioritize less scalable or passive responses.

28

Answer Key: D

# XAT Decision Making by Cetking

**Explanation:** Hiring a specialized external agency quickly diagnoses gaps and prescribes efficient spending strategies within limited time and internal capacity. It maximizes impact and budget accountability.

**Why others are wrong:** A wastes budget without strategy; B relies on overloaded staff; C surrenders strategic leverage; E delays action.

29

**Answer Key:** C

**Explanation:** Approval of a new major scheme creates an immediate, pressing communication need that justifies increased ad spend more than rate changes or staffing moves.

**Why others are wrong:** A rate cuts help but don't create content to communicate; B and D are useful but less immediately compelling; E helps execution capacity but not messaging necessity.

30

**Answer Key:** E

**Explanation:** The head having discretion to exclude a new joinee's performance directly alleviates Sayed's metric concern; it's an institutional mechanism to prevent misattribution of poor performance.

**Why others are wrong:** A and B are historical context but less directly reassuring; C is anecdotal; D unrelated.

31

**Answer Key:** A

**Explanation:** An operational explanation (new to area uses autorickshaws) is objective, verifiable and can be applied case-by-case without making a broad policy that could be misused.

**Why others are wrong:** B–E introduce more subjective or territory-specific rationales that are harder to standardize and could be exploited.

32

**Answer Key:** C

**Explanation:** Publicly asserting higher quality standards and inviting scrutiny signals confidence and transparency to investors, calming markets without drastic personnel moves.

**Why others are wrong:** A is reactive and looks like panic; B is slower; D implies procurement instability; E is passive.

33

**Answer Key:** E

**Explanation:** Holding a town hall explaining the committee's decision increases transparency, addresses rumors, and rebuilds trust more effectively than silence or punitive actions.

**Why others are wrong:** A ignores perception risks; B is heavy-handed; C normalizes bad behaviour; D is retaliatory.

34

**Answer Key:** A (5, 2, 1)

# XAT Decision Making by Cetking



Explanation: First explain the rationale for Bhushan's promotion (context), then take corrective action if irregularities are proven (sack with reason), and consider CEO accountability (resignation) only if systemic failure is evident. This sequence balances explanation, action, and accountability.

Why others are wrong: B–E either skip justification or propose premature resignation or denial.

35

Answer Key: B (2 & 3)

Explanation: Long-term sustainability comes from financing children's education and upskilling/employing the widow; these measures restore family self-sufficiency and secure future income.

Why others are wrong: A (immediate fund) helps short-term only; C (vocational + insurance) mixes longer-term with preventive but insurance alone doesn't address present lack of income; D (insurance + contributions) is unreliable; E (vocational + contributions) includes uncertain donations.

36

Answer Key: E

Explanation: Constituting a representative committee to decide on a case-by-case basis minimizes misuse by avoiding blanket rules and allowing nuanced, fair adjudication based on circumstances.

Why others are wrong: A–C create rigid entitlement rules prone to gaming; D offers assistance but lacks adjudicative structure.

37

Answer Key: E

Explanation: A short instructional video emailed before arrival is scalable, low-cost, and directly addresses guest confusion without operational overhead or guest friction.

Why others are wrong: A removes a useful convenience; B charges extra and deters bookings; C offloads to staff inconsistently; D ignores problem.

38

Answer Key: D

Explanation: Sending polite reminders before and on checkout is a low-cost behavioural nudge that reduces forgetfulness and avoids heavy-handed deposits or staffing burdens. It preserves guest experience while addressing the key issue.

Why others are wrong: A reduces convenience; B & C are labor-intensive; E damages guest relations with penalty fees. (E) create friction and administrative hassle.

Understood — I've reformatted the full set so each question explicitly shows the XAT year and follows the exact inline-options format you specified (no bold, no extra lines between questions, same wording). I kept the full passages and question wording you uploaded.

## 2. Interpersonal & Cultural Ethics (30 Questions)

This core category tests a candidate's ethical judgment and ability to manage societal impact, often against profit or short-term expediency.

Theme	Common Situations	Examples from XAT PYQ
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# XAT Decision Making by Cetking

Social Responsibility/CSR	Balancing profit and business growth with the welfare of local communities, environment, or social groups.	Ramesh's decision on support for deceased employee's family (XAT 2018), Food Centre sustainability (XAT 2023)
Workplace Ethics	Handling accusations of harassment, misuse of authority, or general misconduct where evidence is complex or biased.	Sexual Harassment at Fair Consulting (XAT 2023)
Honesty Transparency &	Situations involving fraud, whistleblowing, misinformation, or maintaining confidentiality/trust (e.g., in reporting, procurement).	Bhushan's bribe allegation (XAT 2018), Deepti's feedback on faulty e-commerce delivery (XAT 2020)
Personal vs. Professional Ethics	The choice between personal moral beliefs (e.g., helping a friend) and professional obligations (following rules, protecting company data).	Sharda finding the lost ring (XAT 2024), CEO knowing about a subordinate's leak (XAT 2018)

Scenario (XAT 2025): 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."

Ques 1 (XAT 2025): 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

# XAT Decision Making by Cetking

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.

**Ques 2 (XAT 2025):** 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.

**Scenario (XAT 2025):** 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

# XAT Decision Making by Cetking

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.

**Ques 3 (XAT 2025):** When a new batch of lawyers joins in 2024, Lisa feels that it is her moral responsibility to reprimand 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.

**Ques 4 (XAT 2025):** 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.

**Ques 5 (XAT 2025):** 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

# XAT Decision Making by Cetking

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.

**Scenario (XAT 2024):** 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.

**Ques 6 (XAT 2024):** 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 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 contact the HR representative to facilitate the verification of Raman's responsibilities.
- C. Raman should re-establish communication with Suraj through social media platforms like Facebook and persuade him there.
- D. Raman should write an email to Suraj, emphasizing Raman's roles and responsibilities, and request him to approve them.

# XAT Decision Making by Cetking

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

**Ques 7 (XAT 2024):** 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 collect testimonials on his additional responsibilities from his ex-teammates at Flying Groceries.
- B. 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.
- C. 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.
- D. Raman should create documentation, detailing quantifiable metrics and results about his extra work based on his memory.
- E. Raman should call Suraj and explain that he will not be able to get a consulting or an operations job without verification.

**Scenario (XAT 2024):** 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.

**Ques 8 (XAT 2024):** 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. Whenever Sharda was absent, Vimla used to help her by taking over her responsibilities.
- B. Mr. Singh will probably terminate Sharda if he gets to know that she has revealed this information.
- C. Sharda is not keeping well, and Mr. Singh warned her that her frequent absences could lead to her termination.
- D. Vimla already knows she has not stolen anything, so telling her will not give her any new information.
- E. Had Vimla done her job properly, she would have found the ring and avoided this incident.

**Ques 9 (XAT 2024):** 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

# XAT Decision Making by Cetking

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. Divulge to Vimla's employers in the housing society that she has found the ring.
- B. Confront Mr. Singh about concealing the discovery of the lost ring from the housing society residents.
- C. Quit the job at Mr. Singh's house and ask him to consider offering that job to Vimla.
- D. Inform Vimla that the ring has been found and advise her to demand compensation from Mr. Singh for tarnishing her image.
- E. Inform as many domestic helps in the housing society as possible that she has found the ring.

**Scenario (XAT 2024):** 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.

**Ques 10 (XAT 2024):** 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 is known for confronting her boss whenever they changed deadlines.
- B. Shalini, good at heart, is known for making insensitive comments.
- C. Very few people, who are not considered loyal, receive the bonus.
- D. Shalini's irreverent comment about her previous boss pushed her out of that team.
- E. In her close group, Nalini is the first person to receive the bonus.

**Ques 11 (XAT 2024):** 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. Start saying negative things about their bosses to her teammates.
- D. Invite her teammates for dinner on a weekend.
- E. Talk to her teammates regarding their indifference towards her.

**Ques 12 (XAT 2024):** 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,

# XAT Decision Making by Cetking

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. Tell her boss that Shalini should lead the team as she has worked with the client before.
- C. Request her boss to order Shalini to join the team.
- D. Complain about Shalini's attitude to the human resource manager.
- E. Ask Shalini to reconsider as this project can be important to both of them.

**Scenario (XAT 2021):** Ashraf has been working at a cybersecurity company called NuTech Pvt. Ltd. for seven years. Having missed a promotion in the previous appraisal cycle, Ashraf is anxious about it in the upcoming cycle. Ashraf is aware that the HR head is meeting the top management to discuss promotions sometime soon. (At NuTech, the HR head recommends names for promotions to the top management based on inputs from the functional teams.) On a Friday afternoon, Ashraf receives an email from Sridevi, the HR head. It reads, "Hi, I need an urgent favour from you; please respond if you are free." It was the first time that Sridevi ever contacted him. Surprised, Ashraf immediately replies back saying, "Sure! How can I help you, Sridevi? Regards, Ashraf." In a couple of minutes, he receives a reply: "Ashraf, I am in the middle of an important meeting, but have to urgently send gift vouchers worth ₹50,000 to one of our important clients. If you could, please purchase and send the gift vouchers to the email address given below, at the earliest." Ashraf, without any delay, sends gift vouchers worth ₹50,000 to the given email address.

**Ques 13 (XAT 2021):** Ashraf feels happy after this brief email interaction with Sridevi. Which of the following statements, if true, will BEST make Ashraf strongly hopeful about his imminent promotion?

- A. Ashraf's immediate junior, Shamsher, who worked closely with Sridevi, was promoted last year.
- B. It is for the first time ever that Sridevi directly approached Ashraf to contact a client.
- C. Sridevi chose Ashraf over others for help, while in the midst of a meeting with the top management.
- D. Ashraf has heard from his industry friends that HR heads accept favours for recommending employees' promotions.
- E. Sridevi is known for her elite social circle and extravagant life style.

**Scenario (XAT 2021):** Saradeep was the proprietor of Saradeep & Sons Pvt. Ltd., an auto parts manufacturing company. He had three children--Taapsi, Kesar and Sandeep. His wife passed away when Sandeep, the youngest kid of the family, was only eight years old. Taapsi, being the eldest sibling, was more of a mother to Kesar and Sandeep. Taapsi and Kesar joined Saradeep's business right after college because Saradeep trusted them immensely. He once told Kesar, "I want key positions to be held by the people I trust." Saradeep wanted Sandeep also to join his business like Kesar and Taapsi. Saradeep felt that Sandeep had a strong business sense, probably the best among his three children. Hence, Saradeep wanted Sandeep to take his higher education in business studies. However, Sandeep had other aspirations; he wanted to become a lawyer. Of late, he was offered admission to the

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prestigious National Law School, Bengaluru. As soon as he received the admission offer, he rushed to share this news with his family members.

**Ques 14 (XAT 2021):** Sandeep shared the news of the admission offer first with Kesar, who exhibited mixed feelings. He was happy for Sandeep's admission to the National Law School; nevertheless, he was concerned about their father's reaction. Moreover, Saradeep had an anxiety attack a few months back and was working from their family mansion in Shimla. Kesar advised Sandeep to delay sharing his selection news with their father. Which of the following, if true, will BEST enable Sandeep share the news with Saradeep without delay?

- A. Saradeep did not talk to Sandeep for weeks, because he did not get the news of Sandeep's bike accident immediately from him.
- B. Saradeep regarded Law as a respectable profession.
- C. Since childhood, Sandeep, before going to bed, usually shared all happenings of the day with Saradeep.
- D. Kesar had always been paranoid about his family ever since the untimely demise of his mother.
- E. Even after the anxiety attack, Saradeep walked four kilometres daily.

**Ques 15 (XAT 2021):** Kesar was also concerned about Taapsi's reaction to Sandeep joining the National Law School. She wanted to be a fashion designer; however, Saradeep dissuaded her from doing anything other than production engineering. She was very upset with her father's decision back then; nevertheless, over time, she became a staunch supporter of her father's values and beliefs. Currently, she headed one of the plants, which also happened to be the best run company plant. Kesar felt that she would not take Sandeep's decision well; she might try to prevent Sandeep from pursuing higher studies in Law. Which of the following, if true, will BEST assuage Kesar's fear regarding Taapsi?

- A. Taapsi, in a marked departure from family tradition, was fully supported by her family when she decided to marry her batchmate, soon after college.
- B. Taapsi mentored an online start-up, dedicated to women's fashion, in her free time.
- C. Taapsi, in a fashion school convocation speech, said that she still harboured a dream of quitting the family business for becoming a fashion designer.
- D. Taapsi gifted Sandeep a sports bike on his 19th birthday even when Saradeep was completely against it.
- E. When Sandeep was eight, he supported Taapsi's desire to pursue fashion designing.

**Scenario (XAT 2020):** Rakesh, who hailed from Dhanbad, worked in Jamshedpur with SPCIL, a government construction company. Although HR policies concerning job security & work-life balance attracted Rakesh to SPCIL, over time he found his work monotonous with no growth opportunities. However, the proximity to Dhanbad enabled him to visit his parents at his convenience. Recently Rakesh applied to Grow and Prosper (G&P), a multinational company engaged in construction related operations, making inroads into many Indian states. G&P interviewed Rakesh and offered him three times his current salary at SPCIL.

**Ques 16 (XAT 2020):** While mulling over the offer, Rakesh consulted Manikandan, his trusted senior at SPCIL. Manikandan, who had friends in G&P, disclosed that it preferred government employees for its projects in Jharkhand, Bihar and Chhattisgarh. "Once the project is

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completed, G&P may not need your skills," observed Manikandan. Which of the following, if true, will BEST enable Rakesh to decide on the offer?

- A. Manikandan stopped both of his sons from taking up private-sector jobs, given his loyalty to the government.
- B. Senior-level employees at G&P, who began their career in similar projects, are now confined to their desk at the head office for almost a decade.
- C. As G&P also planned to enter two Southern states, it has decided to recruit people from those states.
- D. During the interview, G&P quizzed if Rakesh would sustain his relationship with his former colleagues at SPCIL.
- E. Through social media, Rakesh discovered that Manikandan's contact, who had left SPCIL to join G&P, is no longer with G&P.

**Scenario (XAT 2020):** Vindhya, Shabnam and Amala are interning at a software organization as part of the requirement of their B-school curriculum. The organization has allotted each of them a project based on their area of specialization. In the first meeting with the HR head, they are informed of a PPO possibility (pre-placement offer, i.e., an offer to join the company after their MBA), based on their performance. All of them are eager to convert their internship into a job offer. Each of them is assigned a mentor who evaluates the intern's performance along with the HR head.

**Ques 17 (XAT 2020):** Vindhya's project is about understanding employee perception regarding the organization's HR policies. Against her own instinct, she is suggested by her mentor to interview only the good performers identified by his office because poor performers, he believes, usually crib against the policies. Which of the following courses of action will BEST enable Vindhya to provide the organization with a complete picture?

- A. Vindhya should completely comply with her mentor's suggestion.
- B. Vindhya should meet only those identified by her mentor, but also collect information from them as why their other colleagues are disgruntled.
- C. Vindhya should report this restraint to the HR head requesting her immediate intervention in the project.
- D. Vindhya should ignore her mentor's directive, collect data from all, but compile reports separately for the good performers and the poor performers.
- E. Vindhya should request the HR Head to allot her another mentor without divulging the reason.

**Scenario (XAT 2020):** When Deepti opened the package, she was aghast. She received cotton pillow covers instead of satin pillow covers, she had ordered. Deepti ordered them for her father from a popular ecommerce website that hosted products of many sellers. Confused, Deepti contacted the seller's office using the details given on the package. The seller's representative profusely regretted and promised to send the satin pillow covers at no extra cost. He added that Deepti need not return the cotton covers she received. Deepti happily accepted the deal. A few days later, Deepti received another package from the seller. Unfortunately, this package also contained cotton pillow covers. Completely disillusioned with the seller's professionalism, Deepti decided to put to use these cotton pillow covers also.

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**Ques 18 (XAT 2020):** A few days later, Deepti received an email from the e-commerce website, requesting her to share feedback about the seller. Deeply frustrated with the overall online purchasing experience, she deliberately ignored it. Later that evening, over supper, her father opined that the balcony curtains needed to be changed. He suggested that they be bought from a local shop. "If something went wrong, we could at least yell at the seller," he added. Deepti stared at her laptop and began writing her feedback. What would Deepti DEFINITELY achieve by giving feedback?

- A. Instigate people against the seller
- B. Coerce the e-commerce website to punish the seller
- C. An act of social service
- D. Release her frustration
- E. Prove a point to her father

**Scenario (XAT 2020):** After a few months, the sales head enquired, "In case you are using the cotton pillow covers and like them, kindly rate them on the e-commerce website. It will help us serve our customers better." Later that evening, her father remarked, "You know, I really love these pillow covers though I am not sure why you bought so many of them".

**Ques 19 (XAT 2020):** Which of the following reasons gives Deepti the BEST rationale to ignore the sales head's request?

- A. Acceding to the request benefits just the seller while her sore experience remains.
- B. Cotton pillow covers were delivered erroneously. Hence the seller does not deserve appreciation.
- C. Acceding to the request will imply that she was wrong in ordering satin pillow covers in the first place.
- D. If the seller truly cared about customers, they should have shipped the satin pillow covers by now.
- E. Her review will lack credibility since there is no proof that she purchased the product.

**Scenario (XAT 2018):** Lal & Sons, a family business, comprises three different companies in three different industries. Sudarshan Lal was heading this entire business from the inception. Two years ago, he hired three managers, one for each company and Chhaganlal Jha as Chief Executive Officer (CEO) to look after the entire business. These three managers are reporting to the CEO. However, Sudarshan Lal and his family still own the entire business, though they are not involved in day to day operations.

**Ques 20 (XAT 2018):** Some of the senior employees who left Lal & Sons in recent past have complained to Sudarshan that the long cherished values of the organization such as respect for elders, job security etc. are being compromised. Which of the following options, if true, will indicate to Sudarshan that the employees are misleading him?

- A. The replaced employees have been average performers for many years.
- B. When senior employees were assigned to lead challenging but critical positions in the organization, they resigned.
- C. The senior employees were replaced by people below them and not from outside the organization.
- D. The replaced senior employees had only 4 more years of service and were not compensated for the premature termination.

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E. The number of senior employees voluntarily leaving this organization is lower than the industry average.

**Ques 21 (XAT 2018):** Chhaganlal Jha, the CEO, was certain that someone in his leadership team was leaking information to Sudarshan Lal, well before Chhaganlal communicated. Given the following options, how best should Chhaganlal Jha respond to this situation?

- A. Chhaganlal should request Sudarshan to kindly wait for him to communicate as informal sources may lead to misinformation.
- B. Chhaganlal should complain about this to Sudarshan and threaten to resign.
- C. Chhaganlal should request his team to continue passing information, since it brings down the communication barrier.
- D. Chhaganlal should understand that this is bound to happen and should not bother.
- E. Chhaganlal should threaten his team that one of them will be fired by the weekend if this practice of passing information doesn't stop immediately.

**Scenario (XAT 2018):** Satyender heads a branch of a Micro-Finance company. The company provides small-size loans catering to rural households. As the head of the branch, he supervises three collection officers - Palani, Sayed, and Godwin. Palani was recently transferred by the company from another branch.

**Ques 22 (XAT 2018):** Satyender is allocating territories to his subordinates for the coming financial year. So far, Palani's performance has been poor and this allocation will decide his future in the organization. Which of the following information will be the least useful to Satyender in taking a fair allocation decision?

- A. Sayed's territory has shown consistently good performance in the past three years.
- B. Sayed's territory faces stiff competition from a well-known brand.
- C. A new territory that faces competition from two relatively unknown brands.
- D. Godwin's territory has shown consistent results in the past three years.
- E. Godwin's territory performance has been flat for the past two years.

**Ques 23 (XAT 2018):** Two years after the handing over, Sudarshan was concerned that none of the companies, except one, is profitable. Which of the following information, if true, will most likely reduce Sudarshan's concerns?

- A. A leading financial institution recently advised its investors to purchase the shares of the two loss making companies with a long term outlook.
- B. The Corporation's performance was stagnant for three years, before Sudarshan handed it over to professionals.
- C. The best performing division belongs to an industry, which is growing in double digits.
- D. People holding senior positions have been replaced two years ago by fresh and young talent.
- E. The rate at which employees are leaving the best performing division is higher than the industry average.

**Ques 24 (XAT 2018):** Some of the senior employees who left Lal & Sons in recent past have complained to Sudarshan that the long cherished values of the organization such as respect for elders, job security etc. are being compromised. Which of the following options, if true, will indicate to Sudarshan that the employees are misleading him?

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- A. The replaced employees have been average performers for many years.
- B. When senior employees were assigned to lead challenging but critical positions in the organization, they resigned.
- C. The senior employees were replaced by people below them and not from outside the organization.
- D. The replaced senior employees had only 4 more years of service and were not compensated for the premature termination.
- E. The number of senior employees voluntarily leaving this organization is lower than the industry average.

Ques 25 (XAT 2018): Chhaganlal Jha, the CEO, was certain that someone in his leadership team was leaking information to Sudarshan Lal, well before Chhaganlal communicated. Given the following options, how best should Chhaganlal Jha respond to this situation?

- A. Chhaganlal should request Sudarshan to kindly wait for him to communicate as informal sources may lead to misinformation.
- B. Chhaganlal should complain about this to Sudarshan and threaten to resign.
- C. Chhaganlal should request his team to continue passing information, since it brings down the communication barrier.
- D. Chhaganlal should understand that this is bound to happen and should not bother.
- E. Chhaganlal should threaten his team that one of them will be fired by the weekend if this practice of passing information doesn't stop immediately.

Scenario (XAT 2023): Mr. Q is an IT professional who works for a small company in Bangalore. His office hours are from 2:00 p.m. to 10:00 p.m.; thus, he wants to utilize his morning time. He thought of taking up extra work; however, he is not sure about the righteousness of his decision. His company does not have any clear policy on Moonlighting. As he is confused, he seeks opinions of the people who work in his industry to understand ethical dimension of Moonlighting. The following opinions are shared with Mr. Q: 1. Opinion 1: Moonlighting is unacceptable since the employer has a complete right over the employee. 2. Opinion 2: Moonlighting is a choice of the employee, and that the employer has no authority over the employee's conduct after office hours. 3. Opinion 3: Moonlighting leads to employee missing out on important organizational work. 4. Opinion 4: While Moonlighting, the employee might unknowingly leak critical information gained from one organization to the other. 5. Opinion 5: It is OK to Moonlight as employers are exploitative and underpay employees.

Ques 26 (XAT 2023): Given the abovementioned opinions, which of the following combinations will BEST help Mr. Q to realize that Moonlighting is unethical?

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

Scenario (XAT 2022): Rawng Regrud joins FuRSCA recently and is placed third in the housing queue. He has been temporarily housed in a studio apartment. Given that the studio apartment is too small, he requests his sister to take care of their ailing parents while he awaits a regular house allotment. As months pass, his sister finds it difficult to accommodate

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her parents along with her in-laws. She requests Rawng to accommodate them with his family. Since he is third in the queue, he may not get a house allotted in the near future. He approaches the CAO with a request to be moved up the queue on humanitarian grounds.

**Ques 27 (XAT 2022):** Which of the following responses by the CAO shall be perceived as the MOST appropriate by all the stakeholders?

- A. Ask Rawng to negotiate and arrive at a consensus with the two scientists ahead in the queue which the CAO shall implement
- B. Inform Rawng that nothing can be done since violation of rules will set a wrong precedence
- C. Facilitate Rawng in getting a house in the city, along with a free commutation for the first three months
- D. Ask Rawng to meet with the director of FURSCA and present his case to get an exception
- E. Move Rawng to the top of the queue, and make a rule that scientists with ailing parents shall be given preference

**Scenario (XAT 2020):** While mulling over the offer, Rakesh consulted Manikandan, his trusted senior at SPCIL. Manikandan, who had friends in G&P, disclosed that it preferred government employees for its projects in Jharkhand, Bihar and Chhattisgarh. “Once the project is completed, G&P may not need your skills,” observed Manikandan.

**Ques 28 (XAT 2020):** Which of the following, if true, will BEST enable Rakesh to decide on the offer?

- A. Manikandan stopped both of his sons from taking up private-sector jobs, given his loyalty to the government.
- B. Senior-level employees at G&P, who began their career in similar projects, are now confined to their desk at the head office for almost a decade.
- C. As G&P also planned to enter two Southern states, it has decided to recruit people from those states.
- D. During the interview, G&P quizzed if Rakesh would sustain his relationship with his former colleagues at SPCIL.
- E. Through social media, Rakesh discovered that Manikandan’s contact, who had left SPCIL to join G&P, is no longer with G&P.

**Scenario (XAT 2020):** Vindhya, Shabnam and Amala are interning at a software organization as part of the requirement of their B-school curriculum. The organization has allotted each of them a project based on their area of specialization. In the first meeting with the HR head, they are informed of a PPO possibility (pre-placement offer, i.e., an offer to join the company after their MBA), based on their performance. All of them are eager to convert their internship into a job offer. Each of them is assigned a mentor who evaluates the intern's performance along with the HR head.

**Ques 29 (XAT 2020):** In the second week of her eight-week internship, Amala realizes that the project requires inputs from subjects she studied in her third trimester. However, during the third trimester, Amala was significantly distracted by an inter-college sports meet, affecting her grasp of the subjects. Which of the following is the MOST appropriate way forward for Amala?

- A. Amala should seek Shabnam’s help who performed well in the third trimester.

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- B. Amala, after studying the organization for a week, should design her own project and pitch it to her mentor.
- C. Amala should request her mentor to allocate a different project because of her limited familiarity with the inputs required.
- D. Amala should disclose to the mentor her limited understanding of the required inputs and seek his suggestions.
- E. Amala should realize that she may not get a PPO and so focus on networking with the experienced talent in the organization.

**Scenario (XAT 2020):** When Deepti opened the package, she was aghast. She received cotton pillow covers instead of satin pillow covers, she had ordered. Deepti ordered them for her father from a popular ecommerce website that hosted products of many sellers. Confused, Deepti contacted the seller's office using the details given on the package. The seller's representative profusely regretted and promised to send the satin pillow covers at no extra cost. He added that Deepti need not return the cotton covers she received. Deepti happily accepted the deal. A few days later, Deepti received another package from the seller. Unfortunately, this package also contained cotton pillow covers. Completely disillusioned with the seller's professionalism, Deepti decided to put to use these cotton pillow covers also.

**Ques 30 (XAT 2020):** In the feedback column, Deepti awarded 1-star out of the maximum 5 stars to the seller and described her negative experience. Later that evening, the sales head called and pleaded with her to retract her feedback and upgrade them to 5-star, as they had already fired the employee concerned. He appealed that they were a young organization and that their sales were getting badly affected. Given the circumstances, what should be the IDEAL response?

- A. She should stick to her feedback and the stars awarded since she reported only what had taken place.
- B. She should retract the feedback and award 5-star as the seller has already punished the concerned employee.
- C. She should retract the feedback and award 5-star since sales are getting affected.
- D. She should order again with the same seller and share her renewed experience.
- E. She should retain the feedback but award 3-star as a consolation measure.

**Ques 1 (XAT 2025):** Correct Option: C

**Rationale:** Sudha's core worry is organizational — loss of long-standing clients and revenue — not merely a personal grievance. Framing the problem as a business risk (clients may feel shortchanged and leave) targets Dheeraj's responsibility as TAO and ties her appeal to company interests rather than personal gain. This approach is factual and persuasive: cite specific lost-hours/revenue figures or client feedback if possible to make the risk concrete. It also avoids direct confrontation with the CEO or undermining the TAO's mandate, which would likely backfire. Why others are weaker: A sounds like training "the competition" and concedes clients now; B is confrontational and self-centred; D seeks organizational upheaval; E is unethical and would damage client trust.

**Ques 2 (XAT 2025):** Correct Option: E

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**Rationale:** Nandini must restore client confidence while appearing supportive of youth development. Proposing Kirti as a co-trainer gives the client the senior presence they expect, provides on-the-job mentoring for Kirti, and signals organizational learning rather than blame. This is a win-win: the client gets quality assurance, the trainee gains exposure, and Dheeraj's objective (upskilling juniors) is respected. In presenting this, Nandini should offer a short plan showing how co-training will improve outcomes (e.g., split sessions, evaluation metrics). Why others are weaker: A shifts responsibility to the client and politicizes; B undermines Kirti privately without solving the client issue; C demands exclusive control and alienates Dheeraj; D is accusatory and risks internal conflict.

## Ques 3 (XAT 2025): Correct Option: C

**Rationale:** Lisa is on probation and needs to change a long-standing ritual without appearing insubordinate. Joining a group effort to petition the founders shares responsibility, frames the change as collective, and reduces personal exposure while increasing legitimacy. It also creates a forum for constructive alternatives rather than a lone complaint. Practically, she can gather peers, document specific harms and suggested replacements, and propose a pilot to test a gentler induction. Why others are weaker: A is clandestine and risky if found out; B singles her out in a hierarchical challenge; D is indirect and unlikely to stop the ritual; E is passive and lets harm continue.

## Ques 4 (XAT 2025): Correct Option: A

**Rationale:** Rumors that Lisa wrote the anonymous email threaten her probationary status and credibility; the fastest way to resolve this is a private, professional meeting with the founders to state facts and express her reservations about the ritual. In such a meeting she can calmly deny authorship, explain her concerns about the ritual's effects, and offer constructive alternatives — which demonstrates maturity rather than defiance. Public statements or broad email clarifications risk escalating tensions and making the issue more visible. Apologizing for something she didn't do (C/E) harms integrity; ignoring it (D) risks punitive action or false assumptions becoming fixed.

## Ques 5 (XAT 2025): Correct Option: C

**Rationale:** The founders need to preserve the ritual's goal (exposure to the profession's demands) while modernizing the execution to be empathic and relevant. Inviting suggestions from younger lawyers accomplishes both: it recognizes the ritual's intent, brings in contemporary perspectives, and builds buy-in for any revised format. A co-designed pilot could retain "stress-testing" elements but add safeguards (clear debriefs, mental-health supports, opt-outs). Hiring a mental-health professional (D) helps but shouldn't replace frontline input; outsourcing design (B) or only benchmarking competitors (A) misses employee ownership. Posting warnings (E) is performative and inadequate.

## Ques 6 (XAT 2024): Correct Option: B

**Rationale:** Raman needs verification for internships and must avoid rekindling a personal dispute with Suraj. HR is the neutral, formal channel that processes such documents and can act even when personal relationships are strained. Approaching HR preserves professionalism, produces an official record, and is the fastest route for placement offices to accept verification. If HR needs manager sign-off, HR can escalate formally rather than leaving

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Raman to negotiate informally with a resentful ex-boss. Writing an apology (A) or pleading via acquaintances (E/C) risks emotional or delayed responses.

**Ques 7 (XAT 2024): Correct Option: A**

**Rationale:** Since Raman lacks formal documentation of extra responsibilities, corroborative testimonials from ex-teammates provide third-party evidence of his contributions, timelines, and deliverables. These can be compiled into a concise portfolio or appended to his verification, lending weight where the employer's letter is generic. Collecting such testimonials should focus on specifics (projects, metrics, dates) to be credible for recruiters. Creating solo recollections (D) is weaker because it's unverifiable; public social media appeals (B) are unprofessional and may hurt prospects; calling Suraj (E) risks confrontation.

**Ques 8 (XAT 2024): Correct Option: B**

**Rationale:** Sharda's immediate practical concern is job security; she accepted doubled pay and extra work to recover financially. Revealing the ring's discovery risks Mr. Singh reacting badly (possible termination) or removing her advantage, so fear of losing the job is the most compelling deterrent. This is a concrete personal cost that outweighs abstract moral duty in her position. While loyalty to Vimla or ethical correctness matter, they are less immediate than the risk of unemployment and the financial consequences for Sharda and her dependents. Other options are either incentives to tell (A), background health context (C), or inaccurate/future-focused (D/E).

**Ques 9 (XAT 2024): Correct Option: A**

**Rationale:** Vimla lost multiple jobs because of reputational harm in the housing society; the most effective remedy is to restore her reputation among those employers. Telling the employers (the people who dismissed her) that the ring was found directly addresses the source of her unemployment and can lead to re-employment or compensation. This action is targeted, factual, and likely to have immediate remedial impact on Vimla's livelihood. Confronting Mr. Singh alone (B) or seeking legal redress (D) may be necessary later but won't quickly repair her lost income; widespread gossip (E) risks slander and inconsistent narratives.

**Ques 10 (XAT 2024): Correct Option: B**

**Rationale:** If Shalini is known to be insensitive despite good intentions, Nalini can interpret her comment as a personality flaw rather than a fair assessment of the bonus's legitimacy. This reframing reduces the moral obligation to decline and preserves the friendship by attributing the remark to poor phrasing rather than to a truth about Nalini. Nalini should still validate her own values (e.g., accept the bonus but use it responsibly) while maybe giving Shalini private feedback. Other choices either reinforce cynicism (C) or escalate conflict without resolving emotional harm (A, D, E).

**Ques 11 (XAT 2024): Correct Option: E**

**Rationale:** Perception that she's close to management is eroding team rapport; the best corrective is open, empathetic conversation to surface concerns and clarify intentions. Inviting dialogue shows leadership, reduces rumor-driven assumptions, and can rebuild social capital faster than passive waiting or secret counterattacks. Nalini should listen, acknowledge feelings, and explain the objective reasons behind the bonus to restore trust. Confrontation

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or gossip (B, C) will only polarize the team; passive strategies (A, D) are unlikely to change perceptions.

**Ques 12 (XAT 2024): Correct Option: E**

**Rationale:** The project's success is paramount and Shalini has relevant experience; asking her to reconsider is a pragmatic, collegial request that preserves Nalini's leadership while leveraging Shalini's competence. Nalini should outline role definitions, risk-sharing, and recognition to persuade Shalini without ceding control. If Shalini remains firm, Nalini can negotiate a co-lead or defined advisory role tied to performance metrics. Escalating to HR or the boss (A–D) risks politicizing a client-sensitive engagement and harming team morale.

**Ques 13 (XAT 2021): Correct Option: C**

**Rationale:** The timing and context matter: Sridevi reached out while in a meeting with top management, which suggests that whatever she needed related to matters of significance and that Ashraf was trusted in that moment. This concrete signal is stronger evidence of favor than anecdotal cases or rumor. Ashraf should remain cautiously optimistic and continue professional excellence rather than act entitled. Other choices are circumstantial (A, B) or speculative about office culture (D, E).

**Ques 14 (XAT 2021): Correct Option: A**

**Rationale:** The prior incident (delayed accident news causing Saradeep to go silent) shows that delayed disclosure is a specific trigger for poor reactions; thus immediate sharing of the law-school news minimizes the risk of a similar adverse episode. Option A directly addresses the causal worry Kesar voiced and gives a defensible reason for prompt disclosure. Other options (B, C, E) are supportive context but do not directly mitigate the specific hazard of delayed bad news; D is personality context that doesn't remove the risk.

**Ques 15 (XAT 2021): Correct Option: D**

**Rationale:** Taapsi's concrete action (gifting Sandeep a bike despite the father's objections) demonstrates active personal allegiance, which reduces the likelihood she will block Sandeep's law plans. This is stronger evidence than general statements or ambivalent behaviors. Kesar can use that past act as a basis to trust Taapsi's likely support and perhaps approach her directly to confirm. Other options show interests or background (A, B, C, E) but not a decisive instance of supportive action in defiance of Saradeep.

**Ques 16 (XAT 2020): Correct Option: B**

**Rationale:** Rakesh's decision hinges on long-term career trajectory; evidence that senior employees in similar roles at G&P become desk-bound signals the job may lead to stagnation rather than growth. This directly answers his central concern (no growth) despite the higher pay. He should weigh immediate financial gain against the prospect of a decade of limited advancement. Other options are less predictive of career outcomes or are peripheral to long-term growth considerations.

**Ques 17 (XAT 2020): Correct Option: B**

**Rationale:** Vindhya must be ethical and pragmatic: overtly defying the mentor risks her PPO; blind compliance sacrifices research integrity. Asking only the mentor-approved good performers but using them to elicit perspectives about disgruntlement cleverly gathers

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broader insight without direct disobedience. She should code responses and transparently document methodology to justify the approach if questioned. Escalation (C) or outright defiance (D) jeopardizes her internship and prospects.

**Ques 18 (XAT 2020): Correct Option: D**

**Rationale:** The one guaranteed, immediate result of writing a candid negative review is personal catharsis — releasing built-up frustration. Any other desired outcome (punishing the seller, changing company policy, convincing others) depends on external actors and is uncertain. Deepti should still aim for precise, factual feedback (what happened, what was promised, what failed) so that if the platform or others act, they have clear information. Writing also helps clarify her own expectations for future purchases.

**Ques 19 (XAT 2020): Correct Option: D**

**Rationale:** The seller failed to deliver the contracted product twice; that repeated breach of contract is the strongest, business-relevant reason to ignore any request for a positive rating. It preserves the integrity of her original complaint and signals to other buyers and the platform that service was deficient. Lesser rationales (A, B, C, E) are true but either emotional or weaker than the factual record of two failed deliveries and unfulfilled commitments.

**Ques 20 (XAT 2018): Correct Option: A**

**Rationale:** Sudarshan's main anxiety is about the two loss-making companies; an external reputable financial institution recommending buy-with-long-term-outlook provides independent validation of future potential and reduces his worry. This is an objective market signal beyond internal narratives and is especially persuasive for an owner evaluating long-term strategy. Other options give internal explanations or selective positive signs but don't carry the same third-party credibility.

**Ques 21 (XAT 2018): Correct Option: B**

**Rationale:** The claim that values like job security are compromised is weakened if the complaining seniors resigned when offered challenging but critical positions; their action suggests preference for comfort over responsibility, so their complaints may be self-serving. This contradiction is diagnostic: behavior (resignation under challenge) contradicts their stated value (a desire for secure, respected roles). Other choices do not expose such a behavioral inconsistency as directly.

**Ques 22 (XAT 2018): Correct Option: A**

**Rationale:** A calm, diplomatic request to Sudarshan to wait for formal communication prevents knee-jerk reactions and emphasizes the risk of misinformation from informal sources; it balances respect for ownership with the need for accuracy. This approach preserves trust, allows Chhaganlal to finalize his message, and reduces the likelihood of public friction. More aggressive steps (B, E) are risky and counterproductive; passive acceptance (C, D) normalizes leaks or undermines accountability.

**Ques 23 (XAT 2019): Correct Option: E**

**Rationale:** Affluent parents value status and measurable outcomes; linking the inclusive policy to a government-instituted ranking with weightage for diversity reframes inclusion as a credential-enhancing feature, appealing to their priorities. This external validation changes

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the narrative from moral obligation to strategic advantage, increasing buy-in. Other methods (A–D) either dilute the policy, rely on soft persuasion, or fail to address status concerns effectively.

**Ques 24 (XAT 2019): Correct Option: E**

**Rationale:** Building sensitive, self-motivated learners requires participatory structures (council), collaborative strategy development (brainstorming for engagement), and reflective practice (periodic reflection) — these create agency, empathy, and metacognition. This combination aligns pedagogy with the stated goals more than supervision or competition. Implementing these requires teacher facilitation and scheduled reflection cycles to be effective.

**Ques 25 (XAT 2019): Correct Option: C**

**Rationale:** Empowerment is best achieved when learners see education as relevant to their lived problems; relating learning to real-life contexts gives students agency, problem-solving practice, and ownership of learning. Administrative achievements (A, B) or isolated pedagogical techniques (D, E) are valuable but do not by themselves produce the sustained, practical empowerment that contextualized learning does.

**Ques 26 (XAT 2023): Correct Option: B**

**Rationale:** Opinions 3 (moonlighting reduces attention to primary employer's work) and 4 (risk of leaking proprietary information) together highlight concrete harms to the employer's interests and workplace functioning, forming a robust ethical argument against moonlighting. These are operational, verifiable risks rather than ideological positions about employer rights or worker exploitation. Other pairings either conflict ideologically or fail to show direct harm.

**Ques 27 (XAT 2022): Correct Option: B**

**Rationale:** The CAO must be fair to all and uphold rules; granting exceptions or reordering the queue harms perceived fairness and sets a problematic precedent. Saying nothing can be done because rule violation sets a wrong precedent is a firm, transparent stance that protects the system's integrity while inviting Rawng to pursue other lawful remedies. Facilitating an ad-hoc move or creating new preferential rules (C, E) undermines queue fairness and institutional policy.

**Ques 28 (XAT 2020): Correct Option: B**

**Rationale:** Reiterating Q16's logic: evidence that senior-level G&P employees became desk-bound shows the job's long-term trajectory and addresses Rakesh's concern about future stagnation despite higher pay. Rakesh should consider career progression evidence over immediate salary. Other options are less predictive of his long-term growth prospects.

**Ques 29 (XAT 2020): Correct Option: D**

**Rationale:** Amala should directly disclose gaps to her mentor and request guidance: this is honest, preserves relationships, and creates an opportunity for on-the-job learning or re-scoping. It signals responsibility and willingness to improve, which mentors often reward, and helps her retain chances for PPO by demonstrating professionalism. Relying solely on others (A), redesigning the project (B), or avoiding responsibility (C, E) either risks quality or abandons learning.

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Ques 30 (XAT 2020): Correct Option: A

Rationale: Maintaining truthful feedback preserves the integrity of consumer reviews and holds sellers accountable; retracting a valid complaint because the seller was punished or is a young company misplaces the purpose of reviews. Deepti should ensure her feedback is factual, specific, and constructive so that platforms and sellers can act appropriately; alternative actions (retracting/upgrading) compromise public trust and encourage manipulation.

## 3. Sales Marketing Core Strategy & Market Expansion

Most Repeated DM Scenario Types (from XAT PYQ)

Primary Scenario Type	Focus & Key Conflict	Question/Scenario Examples
Business Strategy, Marketing & Pricing (S&M)	Decisions about market entry, pricing, product strategy, and managing brand perception against internal resource constraints and external competition.	Sundaram Stores (Pricing/Competition), Bakery Le Baguette (Market Entry/Feasibility), Ice Cream Franchise (Location/Profitability), Electro Automobiles (Crisis/Customer Engagement).
Interpersonal/Cultural Ethics & Fairness	Resolving conflicts of interest and making decisions rooted in <i>fairness</i> , often involving social groups or small businesses.	Sharda and Vimla (Justice/Reputation), Churna Village (Cultural Value vs. Commerce).
Customer Experience & Operations	Optimizing service delivery, managing quality control, and addressing customer friction points (which often overlaps with S&M/Ethics).	Madhuri Apte (Digital Lock/Key Management), Sundaram Stores (Profitability/Operations).

### XAT 2025 Exam BDM Actual Question

Scenario: 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.

Ques 1: 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?

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- 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.

## XAT 2024 Exam BDM Actual Question

Scenario: 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.

Ques 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. Divulge to Vimla's employers in the housing society that she has found the ring.
- B. Confront Mr. Singh about concealing the discovery of the lost ring from the housing society residents.
- C. Quit the job at Mr. Singh's house and ask him to consider offering that job to Vimla.
- D. Inform Vimla that the ring has been found and advise her to demand compensation from Mr. Singh for tarnishing her image.
- E. Inform as many domestic helps in the housing society as possible that she has found the ring.

Scenario: 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.

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Ques 3: 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. A new dealership of Panther Motors, the highest selling car brand in the country, is about to come to the town soon.
- B. In Jampur, SUVs have a 6-month waiting period; however, one red-coloured Diplomatico SUV, not her favourite colour, is available at Balaji Motors.
- C. Her brother, an SUV enthusiast, staying in a metro city, has advised her to stay away from Diplomatico Cars.
- D. Jampur, being an old city with congested roads, has a parking problem in many areas.
- E. She has no idea which SUV to choose, and she feels that all SUVs are the same.

Ques 4: 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. C & D
- B. C & E
- C. B & E
- D. A & B
- E. A & D

## XAT 2021 Exam BDM Actual Question

Scenario: Churna is a peaceful village, surrounded by thickly forested high hills that isolate it from the rest of the world. Agriculture is the main occupation of the Churna villagers. Moreover, the forests provide seasonal fruits, tubers, medicinal herbs, and other forest produce in abundance. For all material needs not produced locally, the Churna villagers depend on Tendua, a faraway town. Once a month, the Churna women would arduously trek with the surplus produce to Tendua. In the Tendua market, they convey the virtues of their produce through a beautiful song and dance routine. Reputed for their hard-bargaining skills,

# XAT Decision Making by Cetking

they always manage to extract a premium barter from the traders, more than fulfilling all their other material needs.

**Ques 5:** Damdu, an ambitious trader of Tendua, wants to have exclusive access to all the surplus produce from Churna.

Which of the following offers to the Churna village will BEST help Damdu achieve her objective?

- A. Damdu should offer to provide colourful sarees that the women of Churna fancy.
- B. Damdu should offer to set up a shop in Churna, which will barter all the material requirements of the village.
- C. Damdu should offer to educate the Churna villagers about cash transactions.
- D. Damdu should offer novel products, unseen by the Churna villagers.
- E. Damdu should offer to transport the villagers' monthly material purchases from Tendua to Churna for free.

**Ques 6:** The head woman of Churna grants exclusive access to the surplus produce to Damdu. However, Damdu's euphoria dies down when she finds fewer takers for Churna's produce in Tendua. This trend continues for the next few months.

Which of the following could be the MOST possible reason for Damdu finding fewer takers for Churna's produce at Tendua?

- A. Damdu cannot sing and dance simultaneously.
- B. Hard bargaining experience offered by Churna's women is missed by the traders of Tendua.
- C. The Churna women offered the authenticity that Damdu could not match.
- D. The traders in the Tendua market miss the aesthetics of the beautiful song and dance by Churna women.
- E. Churna's produce is one of the many items in Damdu's inventory.

## XAT 2020 Exam BDM Actual Question

**Scenario:** Two industrial towns, Jayanagar and Ramnagar, about 15 kms. apart, are similar in land area, population, ethnic diversity and per capita incomes. Jagdeep Singh owns a bakery named Le Baguette in Jayanagar. He specializes in croissants, masala bread and whole wheat bread; eggless cakes are also a favorite. Among the four bakeries in Jayanagar, Jagdeep's bakery with a market share of 30% is second only to the oldest Le Croissant bakery whose market share is 40%. Le Croissant commands a loyal customer base and does not offer eggless varieties.

**Ques 7:** Jagdeep has decided to open a branch in Ramnagar.

Which of the following facts about Ramnagar will BEST support his decision?

- A. Before starting his own bakery, Jagdeep was supplying bread to most bakeries in Ramnagar.
- B. 3% of Le Baguette's current revenue comes from Ramnagar.
- C. Le Croissant's Ramnagar branch struggles with a market share of 10%.
- D. Jagdeep has managed to acquire a big space in Ramnagar at a nominal rent.
- E. Ramnagar is served by 4 bakeries, with the two largest bakeries having market shares of 55% and 25% respectively.

**Ques 8:** Jagdeep wishes to open a 100% eggless branch in Ramnagar. To explore feasibility, he collected the following facts:

1. Eggless products account for 30% of Le Baguette's sales.

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2. At least 20% of all bakery sales in Ramnagar is from eggless products.
3. The eggless varieties of Le Baguette contain minute traces of egg.
4. Le Baguette currently makes 3% of its revenue from Ramnagar customers and all of it comes from eggless products.
5. Le Croissant's Ramnagar branch struggles with a market share of 10%.

From the combinations below, in the DESCENDING order of effectiveness, choose the one that BEST supports Jagdeep's decision.

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

**Scenario:** From a newspaper, Jagdeep has learnt that Americans use their own ovens to bake ready-to-bake products, sold by some bakeries. This idea is apparently catching up in Indian metros as well. Jagdeep wants to try this out in his bakery. He has gathered the following facts:

1. US bakeries that also sell ready-to-bake products earned higher revenues compared to those that do not.
2. Around 7% of Jagdeep's regular customers own baking ovens in their homes.
3. The sale of baking ovens in India is forecast to increase by 12% every year, for the next three years.
4. 50% of Jagdeep's regular customers are fulltime working couples.
5. In Indian metros, ready-to-bake products give higher profit margins compared to finished products.

Select the BEST of the following sequences of the above facts, in DESCENDING order of effectiveness, to support Jagdeep.

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

## XAT 2019 Exam BDM Actual Question

**Scenario:** Divya grew up in a business family in Hyderabad. As a Systems engineer she travelled extensively on business deals and later settled in her in-law's place in Warangal. Once during her visit to Thailand she got to taste some roll over ice cream. Interestingly, a few weeks later, she came across an advertisement from a reputed Bangalore based Rollover Handcrafted Ice Cream Company calling for expression of interest from potential franchisees. Warangal did not have any quality ice cream parlour. The company wanted the potential franchisees to invest Rs. 20 lacs and 700 square feet space. Profits were to be shared in 3:7 ratio between the company and the franchisee. Divya was excited, but was wondering if Rs. 20 lacs was too much to invest. Further, she did not have the entire amount and was thinking of taking a loan. She enquired with the Rollover franchisees and found that a franchisee in Hyderabad had sales revenue varying between 5 and 6 lacs rupees per month with a profit

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margin between 25-30%. Divya decided to go ahead. Warangal had three main areas -Kazipet, Jangaon and Warangal. All areas were linked by good roads. Kazipet was a business area where most high end retail formats were located. It was also the education hub of the city. Jangaon, on the other hand, was a growing lower middle class business area and Warangal was mostly residential. Divya favoured Kazipet. However, she soon encountered problems. Not only was it difficult to obtain space in Kazipet but property rentals touched 30-40 rupees per square feet per month as against Jangaon and Warangal where it was 15-20 rupees per square feet per month. Divya's friend, who lived in Jangaon, told her that a few branded outlets were opening in Jangaon and it appeared to be the fastest growing market in Warangal with the highest percentage of teenagers. But, Divya was not in favour of Jangaon. She hoped to target college going crowd of Kazipet. High real estate prices in Kazipet and lower profitability estimate in Jangaon market confused Divya.

**Ques 10:** Which of the following options, if true, would most likely interest Divya to start a franchise?

- A. Doctors of the area do not consider Ice cream to be a major cause of obesity.
- B. A bank is ready to give her a quick loan.
- C. She can charge high prices for her ice creams without losing customers.
- D. Her friend who runs a restaurant recently in Kazipet is doing good business.
- E. In recent times, a couple of franchisees shut down within months of starting.

**Ques 11:** Which of the following is least likely to demotivate Divya?

- A. Investing a huge amount may not bring expected returns.
- B. The bank would insist on loan repayment on a monthly basis.
- C. The property rentals would soon go up in Kazipet.
- D. Unlike Hyderabad, people in Kazipet don't seem to like Rollover ice cream.
- E. Rollover franchise in Hyderabad is making huge profits.

**Ques 12:** What could be the most likely reason for Divya opting for Kazipet?

- A. Spiralling real-estate prices in Kazipet.
- B. No branded outlets is likely to come up in Jangaon in the near future.
- C. High percentage of teenagers in Kazipet attracted to Rollover ice cream.
- D. High density of population in both Warangal and Jangaon.
- E. She felt, college going crowd is excited about the latest in ice creams.

**Ques 13:** Which is the most important decision criterion for Divya to consider in such a business situation?

- A. Attracting customers through big discounts in the initial phase of business.
- B. Consistent increase in the number of customers in the future.
- C. Range and variety of ice-cream.
- D. Availability of space in premium locality.
- E. Availability of loan at low interest rate.

**Scenario:** Due to increased competition, Electro Automobiles, the Indian subsidiary of Robert Automobile Company (RAC) reported lower sales and profits. RAC expects its new model Limo, developed especially for value conscious customers of India and China, would revive its

# XAT Decision Making by Cetking

fortunes. In order to prevent customers from buying competing products, RAC announced the launch of Limo six months ahead of schedule. Unrest in its Indian supplier resulted in delayed delivery of essential components to its main plant. Hence, Limo was launched on schedule only in China. Within a short span, Limo captured 30% of the Chinese market, which was 200% higher than expectation. Indian customers were becoming increasingly restless because they couldn't get a Limo in India. Electro's dealers were worried, customers might switch to other cars.

**Ques 14:** The Indian subsidiary is concerned that the delay in launching the product will give undue advantage to some competitor. The organization was considering the following strategies to keep customers engaged with the company:

1. Ask the dealers to encourage their prospective customers to seek similar products from the competition, rather than wait for Limo's launch.
2. Suggest the dealers to accept booking for Limo, announcing the launch within six months of booking, while in reality plan to keep postponing launch indefinitely.
3. Run full page advertisements in the papers, every month, to keep the interest in the model from ebbing, with no mention of the launch date.
4. Import parts from outside India, and launch the product, at a 30% premium, planning a relaunch a few years later of the indianized version.
5. Go against its worldwide policy of non-interference in supplier plants, and announce a hefty bonus to the employees of the supplier with a hope to temporarily bring the plant to life.
6. Promise the supplier plant (that has some unrest) a higher margin share of about 5% compared to what was shared earlier, with an eye to stem the unrest.

Which of the following combination of responses above, will most likely keep the prospective customers engaged with the company and not jump to some competitor's product?

- A. 1,2,3
- B. 2,3,4
- C. 3,2,5
- D. 1,5,6
- E. 3,4,5

**Ques 15:** 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. Electro Automobile is yet to announce the actual price, and the process for allocation of the vehicles.

Which of the following is the best option for Ahmed?

- A. Collect 50% of the entire amount Mr. Murugan is willing to deposit as advance and the remaining at the time of launch.
- B. Collect the entire amount Mr. Murugan is willing to deposit after clarifying that delivery and price is subject to the company policy.
- C. Collect the amount and transfer it to the account of Electro Automobiles, instead of keeping it in his personal account.
- D. Collect the amount from Mr. Murugan. Later when the delivery is delayed, blame it on RAC's problems.

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E. Not collect the amount, but suggest to Mr. Murugan to write to Electro Automobiles.

## XAT 2018 Exam BDM Actual Question

Scenario: Madhuri Apte, a busy professional, rents out her studio apartment located in South Mumbai. Since she stays three hours away from the studio apartment, she uses a networked digital lock to monitor the property remotely. Each customer gets a temporary and unique access code for the digital lock that enables them to enter the studio apartment for the duration of stay. The apartment's entrance door can also be opened with physical keys and Madhuri Apte has two such keys in her possession. Madhuri Apte has employed a cleaner who has a permanent access code to enter the apartment for cleaning every day. She is available only between 15:00 hrs and 17:00 hrs. Madhuri Apte's apartment caters largely to international customers. A customer typically stays for 3 days, paying an average rent of \$125 per day.

Ques 16: While Madhuri Apte's studio apartment gets good feedback on other aspects, many seem unhappy as they found the operation of the digital lock complicated.

Which of the following options is the best for Madhuri Apte in this context?

- A. Madhuri should switch to a physical lock.
- B. Madhuri, on request, should send one of the physical keys five days ahead of customer's arrival at an extra charge of \$75.
- C. Madhuri should request the cleaner to explain the working of the digital access code to customers for an extra charge.
- D. Madhuri should do nothing as digital locks shall be the norm in the future.
- E. Madhuri should create a video manual on "how to use the digital access code" and e-mail it to the customers before their arrival.

Ques 17: Madhuri's apartment received good feedback from the guests, except with respect to the operation of the digital lock. She decided to leave a spare physical key in the house for her guests. Recently some of the guests had forgotten to leave the key behind during checkout. Making a spare key will cost \$500 and will take about 10 days to arrive. She was confused if she should continue leaving the spare key and was looking for a way out.

Which of the following would be the best way out for her?

- A. Keep Digital lock as the only option and communicate to customers.
- B. Be present during checkout to ensure the key is returned.
- C. Request the cleaner to be present during checkout.
- D. Send polite reminders to guests before checkout date and on the day of checkout to leave the key behind.
- E. Charge security deposit of \$100 which will be forfeited if the keys are not left behind.

Q1

Answer Key: E

Explanation: Removing the 15% discount and selling at MRP directly improves profit margin without adding cost or complexity. Sundaram's competitive advantage is convenience and

# XAT Decision Making by Cetking

urgency-based purchases, where consumers are less price-sensitive. This strategy is sustainable and entirely under his control.

Why others are wrong: A and D increase effort but don't repair the margin issue. B depends on the association agreeing. C worsens the loss due to deeper discounts.

## Q2

Answer Key: A

Explanation: Sharda can best help Vimla by clearing her name with the households where her reputation has been damaged. Vimla's livelihood depends on multiple employers, so restoring her credibility across the society is essential. This action directly offsets her actual loss.

Why others are wrong: B and D escalate conflict unnecessarily. C asks Sharda for a huge sacrifice. E relies on gossip and isn't reliable or professional.

## Q3

Answer Key: C

Explanation: Vineeta must judge the SUV's quality, not just the salesman's service. Her brother's expert advice against the model directly questions the product's reliability, which is the most important factor in a long-term purchase like a vehicle. Emotional loyalty shouldn't override functional risk.

Why others are wrong: A and B involve comparisons that don't address product quality itself. D is a generic drawback of SUVs. E merely reflects confusion, not decision criteria.

## Q4

Answer Key: B

Explanation: Shyam gains more long-term value by protecting Vineeta as a customer and leveraging her powerful network. Since the brand may write off the amount, the financial loss becomes manageable. Prioritizing relationship value over short-term recovery is strategically sound.

Why others are wrong: A and D mention obstacles but don't show why recovery is harmful. B (software failure) alone doesn't justify avoiding recovery. C and D miss the upside opportunity of retaining a high-value customer.

## Q5

Answer Key: B

Explanation: The villagers' core problem is distance and inconvenience in acquiring all material needs. Setting up a shop in Churna that fulfills everything locally provides the most comprehensive relief and ensures Damdu monopoly access. It addresses both logistics and loyalty.

Why others are wrong: A and D solve only specific categories. C introduces cash unnecessarily. E solves only the return journey while still requiring villagers to trek.

## Q6

Answer Key: C

Explanation: The Churna women's performance signaled authenticity and origin, increasing trust and price. Damdu cannot replicate this cultural meaning, so the premium disappears. Authenticity, not theatrics, was the real commercial differentiator.

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Why others are wrong: A and D misidentify the key factor. B is irrelevant because easy bargaining should help sales. E is about generic stock and doesn't explain reduced demand specifically for Churna goods.

Q7

Answer Key: B

Explanation: If 3% of total revenue already comes from Ramnagar residents travelling 15 km, this is direct proof of strong product pull. Capturing this demand locally reduces customer inconvenience and guarantees steady sales for the new branch.

Why others are wrong: A and D are background details, not demand evidence. C and E focus on competition but don't provide proof of existing customer interest.

Q8

Answer Key: C

Explanation: The sequence 2-4-1 is strongest because it starts with specific local demand (20% eggless in Ramnagar), then confirms brand-specific pull (all Ramnagar purchases are eggless), and finally shows internal capability (30% eggless overall). Together, they prove feasibility clearly.

Why others are wrong: Including options 3 or 5 weakens the sequence because they mention liabilities or irrelevant competitor data.

Q9

Answer Key: D

Explanation: Ready-to-bake feasibility depends on market size, growth, and margins. Oven ownership (2) defines current market; rising oven demand (3) shows expansion; high margins (5) establish profitability; US success (1) and working couples (4) add supportive context. This order is most logical.

Why others are wrong: Any sequence not starting with 2 and 3 misses the market foundation. Options that elevate 1, 4, or 5 early distort the decision logic.

Q10

Answer Key: C

Explanation: High pricing power directly offsets high rent and investment cost. If customers willingly pay premium prices, profitability is assured despite high input costs. This is the most decisive business case factor.

Why others are wrong: A doesn't relate to ice cream. B solves funding, not profitability. D is anecdotal. E warns of risk instead of opportunity.

Q11

Answer Key: E

Explanation: The success of the Hyderabad franchise proves the business model works and customers are willing to pay, making it least likely to demotivate Divya. It reassures her that the concept is profitable in similar markets.

Why others are wrong: A through D highlight risks involving returns, loans, rising costs, or poor local fit — all would discourage a new entrant.

Q12

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Answer Key: E

Explanation: Divya selected Kazipet because she believed college students want trendy, new products like handcrafted ice cream. This assumption directly drives her choice of locality, aligning product novelty with youth-oriented demand.

Why others are wrong: A is a negative, not a reason. B and D are generic factors. C is an outcome she hopes for but not the underlying reason.

Q13

Answer Key: B

Explanation: Long-term success depends on sustained and increasing customer inflow; this is the foundation of revenue and cost recovery in a high-investment business. Without growing demand, nothing else matters.

Why others are wrong: A is tactical. C and D are secondary features. E solves funding but not profitability.

Q14

Answer Key: E (3, 4, 5)

Explanation: Advertising maintains visibility and reassures customers (3). Importing parts shows commitment to product continuity (4). Providing bonuses to restore supplier cooperation (5) tackles the root supply issue. Together these stabilize customer expectations and product availability.

Why others are wrong: Options containing 1 tell customers to leave. Option 2 is deceptive and risks backlash. Sequences without 3 and 4 fail to manage communication and commitment.

Q15

Answer Key: B

Explanation: Accepting the full amount while clearly communicating that price and delivery follow company policy balances customer enthusiasm with transparency. It protects the dealer from liability while securing business.

Why others are wrong: A leaves money on the table. C shifts focus to the company without solving the dealer's dilemma. D is dishonest. E forfeits a strong sales opportunity.

Q16

Answer Key: E

Explanation: Sending a video guide simplifies customer onboarding without removing the convenience of digital locks. It is scalable, inexpensive, and directly addresses customer confusion.

Why others are wrong: A reintroduces logistical issues. B is costly and insecure. C depends on cleaner availability and adds labor cost. D ignores genuine feedback.

Q17

Answer Key: D

Explanation: Forgetting to leave the key is a behavioural issue; reminders directly address this with minimal cost. This preserves the backup option without risking high replacement expenses.

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Why others are wrong: A reinstates the old complexity. B and C are impractical due to distance or cost. E penalizes customers and risks negative reviews.

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## 4. Operations / Process / PM

### Most Repeated DM Scenario Types (Operations & Strategy Focus)

Primary Scenario Type	Focus & Key Conflict	Question/Scenario Examples
Operations & Resource Management (O&R)	Managing scarce resources (e.g., storage space, time, capacity), risk minimization (e.g., blowouts, contamination), and process optimization (e.g., waiting times, complexity).	Hospital renovation/storage unit (Q2, Q3, Q4), Chef's preparation time (Q11, Q12, Q13), Madhuri Apte's digital lock (Q16, Q17), DeepSea Pipeline Safety (Q7).
Socio-Commercial Dilemmas & Stakeholder Balance	Situations where commercial viability conflicts with community relations, vendor trust, or social consequences. Requires finding solutions that align business goals with multiple stakeholder interests.	Sundaram Stores vs. Vendor/Association (Q1), Churna Village Barter (Q5, Q6), MNC Water Sourcing vs. Local Livelihood (Q19).
Policy Compliance & Risk Management (PCR)	Navigating and mitigating risks related to safety regulations, environmental impact, or public perception often under time pressure.	DeepSea Valve Replacement (Q5, Q6, Q7), Raghbir's SUV Emission Norms (Q14), MNC Water Contamination (Q20).
Personal/Professional Motivation & Self-Interest	Decisions driven by personal/family needs, professional aspirations, or external (non-monetary) support.	Anya/Raghbir's SUV (Motivation/Status), Budugu's daughter's job (Identity/Reputation).

### Scenario (XAT 2025):

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.

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Ques 1: 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.

## Scenario (XAT 2025):

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.

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Ques 2: 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:

1. Reduce their outpatient capacity to half
2. Shut down the cafeteria for the period of renovation
3. Ask their administrative staff to work remotely
4. Strip the pharmacy operations down to emergency and critical medications
5. 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

Ques 3: 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.

Ques 4: 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.

## Scenario (XAT 2024):

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. 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.

Ques 5: 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, C & D
- B. A, B & D
- C. B, C & D
- D. A, B & E
- E. C, D & E

Ques 6: 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. SafeValve depends exclusively on imports and may be prone to procurement issues.
- B. GoValve is a reputed brand and had a partnership with DeepSea for a long time.
- C. GoValve follows the strictest global industry standards of leakage prevention.
- D. Only some developed countries have mandated the use of the new valves.
- E. The new valves cost twice as much as the existing valves.

Ques 7: 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. If a GoValve valve is opened to prevent a blowout, the chance of leakage from the valves within a certain distance increases.
- C. The superiority of the SafeValve products is only in terms of preventing leakage, not blowouts.
- D. At Level 1, the chance of a pressure rise is much lesser compared to the other two levels.
- E. At Level 3, a blowout results in more time consuming and expensive repairs compared to the other two levels.

#### Scenario (XAT 2023):

During the floods of 2018-2019, a group of philanthropists led by Niyabuddin, wished to open free food centre for the needy. Their motto was that "no human should be hungry." Nothing gives more satisfaction to the philanthropists than to see the hungry eat to the fullest. Post Covid-19, the group started a food centre by the name Win Borne Life Care Food (WBLCF) in a small town called Palakkad. The centre started gaining popularity as the number of people enjoying free meals increased over time. Initially, WBLCF offered a standardized menu consisting of idli, upma, puttu for breakfast, curd rice for lunch, and idli or upma for supper. Six women were employed by WBLCF to prepare all the meals. As the number of diners increased, they started expecting a variety in the menu. At WBLCF, not all the diners eat "free": while two-thirds of diners get free food, one-third would donate some amount to a transparent charity box kept at the entrance. For example, a man donated Rs. 500 after consuming two idlis, and a woman approached Niyabuddin and inquired about donating 10 kilogrammes of rice. Those who could not afford to donate, were often seen prostrating worshipfully in front the charity box. Some caring individuals made monetary donation while others donated rice, fruits and vegetables to WBLCF. Further, the centre received enquiries from many locals on how they could contribute to the cause. As the centre was lauded for its

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philanthropic work by people of the town, Niyabuddin intended to replicate the initiative in the nearby districts. However, he is concerned about the cost that goes into running the centre. Almost 75 percent of the donated amount goes into buying the cooking ingredients, while the rest goes into paying salaries, operations and maintenance costs.

Ques 8: From the following, choose the MOST important challenge that Niyabuddin has to overcome to sustain WBLCF.

- A. Paying salaries to employees
- B. Attracting enough diners
- C. Preparing only local dishes for diners
- D. Getting enough finances and donations
- E. Having enough cooks and employees

Ques 9: Niyabuddin realised that on some days the food was wasted while on other days diners went back hungry. He sought advice from a consultant friend on how to reduce wastage. The consultant suggested the following:

1. Launch a mobile app so that diners can pre-inform their arrival to WBLCF.
2. Ask diners who enjoy free meal to distribute excess food to hungry on streets
3. Ask diners to eat less as it is good for health
4. Preach people to eat less
5. Ration amount of food to be served to the diners

Which of the above ideas will not be consistent with the core ethos of WBLCF?

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

Ques 10: Niyabuddin wanted to conserve local recipes that can be used to prepare mouth-smacking dishes for the diners. Which of the following could be the BEST way to conserve local recipes?

- A. Tie-up with the chef of the best restaurant in Palakkad to document recipes
- B. Hold a weekly competition for the best local dish and get it judged and documented by local volunteers
- C. Ask free diners to contribute towards one recipe for a dish and give them the responsibility to document it
- D. Request a lady once a week in Palakkad to cook food at WBLCF on voluntary basis and document the recipes
- E. Tie up with one of food delivery partners to help them document the recipes

Scenario (XAT 2023):

To prepare a dish (e.g., Dosa- Sambhar, Idli-chutney, Rajma-Chawal, Mawa-Bati), the chef has to finish nine activities, some of which could be done simultaneously, while others could not be done simultaneously (see diagram). One of the challenges faced by the chef was to precisely calculate the preparation time of a dish and communicate the waiting time to the customers. However, based on the past data, the chef had an idea about approximate time

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taken to complete each activity. He had noted down the best (optimistic), worst (pessimistic) and most likely (most commonly observed) time to finish each of the nine activities. Further, the chef realised that frequency of occurrence of most likely time was 66.666%, and the frequency of occurrence of pessimistic and optimistic times were 16.666% each. The diagram below shows the activities involved and the table shows the optimistic, pessimistic, and most likely times for each activity. Time is indicated in minutes in the table below.

**Ques 11:** The expected time to prepare the dish is the weighted average of optimistic, pessimistic and most likely time. Which of the following is the expected wait time for the chef to communicate to the customers?

- A. Approx. 47.3
- B. Approx. 32.3
- C. Approx. 51.0
- D. Approx. 22.0
- E. Approx. 40.0

**Ques 12:** Customer dissatisfaction is the difference of actual waiting time (AWT) and expected waiting time (EWT). AWT is the actual time spent by customer before being served the dish. EWT of the customer is the time communicated by the chef. What is the minimum waiting time (EWT) that the chef should communicate to minimise customer dissatisfaction?

- A. 33
- B. 38
- C. 40
- D. 35
- E. 42

**Ques 13:** Which of the following is the MOST volatile activity for the chef?

- A. H
- B. C
- C. G
- D. B
- E. E

**Scenario (XAT 2022):**

Raghbir, a reputed doctor, practices medicine in a tier-three city. He owns an imported SUV which he bought 10 years ago, using his hard- earned savings of nearly 5 years. Initially, he used to take it for long rides, but for the last 6-7 years, he only commutes to his clinic, a 10-minute drive from his home. The SUV has been his proud possession but it demands high maintenance. Also, the diesel-guzzling SUV does not comply with the new emission norms being introduced in the tier-one and tier-two cities. Of late, a few newspapers reported that the new emission norms may be introduced in tier-three cities as well. This news has worried Raghbir.

**Ques 14:** Raghbir is afraid that once the new emission norms are rolled out, he might not be able to use his SUV anymore. Which of the following options will BEST put Raghbir at ease with using his SUV for some more time?

- A. His mechanic assures him that the new norms will not be introduced anytime soon
- B. As a sought-after doctor, all the law enforcement officials are his patients

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- C. His city has many other SUVs which are as old as his
- D. His lawyer friends in his city recently bought non-compliant SUVs from tier-two cities
- E. Non-compliant SUVs are still plying in tier-two cities

Ques 15: Anya, Raghbir's daughter, works in a metro city. She is concerned about private transport emissions and is unhappy with her father's diesel-guzzling SUV. Though she wants her father to be more environmentally responsible, she is aware that any drastic suggestion might attract strong resistance. Hence, she wants a solution, acceptable to Raghbir, that gently dissuades him from using his SUV on a daily basis. Which of the following actions by Anya will BEST dissuade Raghbir from using his SUV on a daily basis?

- A. Take away Raghbir's SUV to the metro city and gift him a new SUV
- B. Gift Raghbir a small petrol car and convince him to sell his SUV
- C. Request Raghbir to use public transport for his daily commute, and use the SUV sparingly
- D. Ask his mechanic to explore if the SUV can be retrofitted with a CNG kit
- E. Ask Raghbir's secretary to ferry him to the clinic daily in her car, except for the weekends

Scenario (XAT 2022):

Korkai is a serene village, nestled in a small island, separated from the mainland by a strait - the world forgot to name. Its inhabitants are mostly fishermen; a few are cattle-grazers too. A boat ride across the strait is the only mode of transport to the mainland. Budugu, the boatman, ferries people, cattle, and bicycles across the strait in his boat for a living. The remoteness and the lack of connection to the mainland has served him well. He has a family of five. His two daughters are away studying in a city college and dream of corporate jobs in the cities. His ailing mother and wife complete his family. Budugu sent his daughters to study in the city as there is only one school in Korkai, run by an NGO. The NGO prepares the village kids for higher studies. For those who cannot go to cities, the NGO teaches them about the virtues of the local way of life. Budugu is a member of the village Panchayat that runs the village administration. At Korkai, hardly anyone remembers the local MLA or MP. Interestingly, the local MLA visited last week, and informed the islanders of major changes planned for the region: urgent construction of a bridge connecting the island to the mainland, and real estate development. She announced that the island will become a well-known eco-tourism destination in the state. She stressed that the local livelihood, dependent on fortunes at the sea, might enjoy the certainty in minimum wages, meted out by the eco-resort owners. Nevertheless, some villagers fear that the bridge will irreversibly change their lives and livelihoods.

Ques 16: Budugu fears that the proposed bridge will leave him jobless, and is determined to do something about it. He wants to gather effective support in order to get the construction of the proposed bridge delayed. Which of the following will be the MOST feasible option for Budugu to gather effective support?

- A. Partner with the local NGO and campaign that the developments will ruin the local way of life
- B. Get a resolution passed by the Panchayat that the bridge will ruin the local way of life
- C. Suspend his boat services till the villagers start supporting his cause
- D. Inform the environmental experts in the nearby cities that the strait is home to rare fish, frogs and turtles
- E. Form a boat rowers' association and sit on a hunger strike to protest the proposed bridge

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Ques 17: The local MLA is worried about the resistance to the project. This project, like her other successful projects in nearby villages, was supposed to garner a significant amount of funding. Moreover, it would make her the face of development in the state; perhaps, even would land her a ministerial berth. However, Budugu's activism has cast the project in a bad light among the popular minds. The MLA wants to protect her pro-development image. Which of the following is the BEST course of action for the MLA?

- A. Invite the village Panchayat for a discussion on a possible compromise solution
- B. Publicise widely that the project will improve the socio-economic condition of the island
- C. Appoint a task force to find alternative land nearby for the project
- D. Discredit Budugu in a public meeting by announcing that he is putting his interests over and above the village development
- E. Create a fishermen and boat rowers' cooperative in the island and donate generously to it

Ques 18: As the project gets delayed, Budugu becomes a well-known social activist with a lot of followers. When Pragati, his elder daughter, finishes her education and starts looking for employment, a few known corporates refuse her a job because of her father's 'anti-development' stand. Which of the following options BEST communicates to the corporates that Pragati has an identity of her own?

- A. Go all out on social media to explain how her father's activism is misconstrued by certain corporates
- B. Stop using her last name in her job applications
- C. Showcase on social media the accolades and awards she received in her college
- D. Discuss in a social media post why she supports the proposed development in her island village
- E. Start a blog and update it regularly with views on current affairs

## Scenario (XAT 2020):

A Multinational Company (MNC) sources pristine natural spring water from Bori, a village in Satpura mountains. The unprocessed natural spring water is directly bottled by the MNC. The company brands it as "Natural Spring Water" and sells at 50% premium vis-a-vis other brands that sell processed water. The local panchayat, under the Panchayati Raj Act, 1992 controls the spring water usage. Hence, the company signed a 30-year contract with the panchayat for exclusive access to the spring water for business purposes. This contract contributes 50% to the panchayat's revenues besides providing 250 jobs in the panchayat. The spring also meets domestic and agricultural needs of the people of Bori and the surrounding villages.

Ques 19: Chanchala owns a small parcel of farming land in Bori. She grows cannabis in some part of her land and earns a significant amount of money from it. Soon after the bottling plant was commissioned, Chanchala, instigated by a landlord with a vested interest, starts accusing the MNC of robbing her of water and impacting her livelihood. She threatens to take the MNC to court. Which of the following options will BEST solve the MNC's problem?

- A. Request the panchayat to excommunicate Chanchala for cultivating cannabis
- B. Get the villagers employed by the MNC to persuade Chanchala not to sue
- C. Promise to employ Chanchala's 17-year-old son as he turns 18
- D. Buy Chanchala's produce at a premium of 30% to the market price
- E. Compensate the monetary loss as perceived by Chanchala

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Ques 20: The MNC has spotted traces of chemicals in their fortnightly water quality analysis. The MNC realizes that this is due to the contaminated agricultural runoff, flowing into the spring from the nearby fields where farmers use pesticides and fertilizers. This requires an immediate solution. Which of the following options will BEST resolve the situation for the MNC?

- A. Close down the bottling plant until the problem is resolved and inform the media that customer interests override profit concerns
- B. Continue bottling the natural spring water without processing since the villagers drink it as it is
- C. Since the customers trust the MNC to do what is good for them, remove the contaminants and continue to brand as "Natural Spring Water"
- D. Source water from an uncontaminated natural spring 150 kms away at an addition of 50% to the total cost
- E. Rebrand "Natural Spring Water" as "Purified Spring Water" after removing the contaminants through charcoal filtering

1

Answer Key: C

Explanation: Discounting the vendor's rent brings the vegetable vendor back by making his economics viable again; this restores the association's rental income and the informal flow of cheap/Free vegetables to maintenance staff that supported retention. It solves both the association's revenue and social-stability concerns without penalising Sundaram for legitimate diversification.

Why others are wrong: A punishes Sundaram unfairly; B forces Sundaram to subsidize staff which is arbitrary; D invites another store and escalates competition; E is irrelevant to restoring the vendor.

2

Answer Key: BCD

Explanation: Cafeteria closure, remote admin staff, and pharmacy outsourcing minimize disruption because food and pharmacy services have nearby alternatives while administration can operate remotely as proven during COVID. Preserving outpatient and key lab services protects core clinical revenue and patient care; these three items are the least impactful to suspend temporarily.

Why others are wrong: Options including outpatient closure or major lab shutdown cut into core medical services and revenue; those moves would harm patients and the hospital's mission.

3

Answer Key: E

Explanation: Repurposing the cafeteria for storage gives immediate, secure, on-site space close to clinical areas, enabling timely resupply for ICU and emergency services during renovation. It's fast, low-cost, and minimally disruptive because external food outlets can cover meals. This preserves patient-critical logistics while renovation proceeds.

Why others are wrong: Renting space an hour away is too slow for emergencies; shutting the hospital or halving emergency capacity risks lives; building new space is not timely.

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4

Answer Key: E

Explanation: Hiring a top-tier team at higher cost to finish in three days trades money for restored operations, reduced patient harm, and public goodwill; for a time-critical public hospital, speed and reputational recovery justify the expense. The rapid completion minimizes cumulative revenue loss and service disruption.

Why others are wrong: Pausing shows helplessness; phased or partial approaches prolong pain and public anger; reverting to slow remedies fails the urgency test.

5

Answer Key: B

Explanation: A valve failure that leaks to neighbors and compromises the entire Level 3 justifies replacing all Level 3 valves: high consequence plus difficulty of replacement and propensity for failure together show the single-malfunction clause is risk-mitigating and operationally rational. This combination explains why the vendor's all-or-none approach could be necessary.

Why others are wrong: A alone states frequency but not catastrophic consequence; C (discount) is financial and doesn't address systemic danger; E is a technical detail but less directly persuasive than the leakage-to-neighbors argument.

6

Answer Key: C

Explanation: Arguing that GoValve already meets the strictest global safety standards is the strongest publicly defensible rationale for rejecting SafeValve—it focuses on safety compliance rather than cost or relationships and avoids appearing to ignore environmental concerns. This frames the decision as adherence to best practice rather than self-interest.

Why others are wrong: Financial/logistical reasons (A, E) look self-serving; partnership history (B) is weak for a safety appeal; appeals to patchy mandates (D) aren't persuasive.

7

Answer Key: E

Explanation: Reducing valves halves containment capacity where it's most crucial; at Level 3 a blowout's repair time and cost are maximal, so cutting valves sharply raises catastrophic risk. Emphasizing the extreme repair burden and cost at Level 3 is the clearest reason to reject valve reduction.

Why others are wrong: A–D are contextual or local benefits but don't demonstrate the catastrophic containment shortfall that E highlights.

8

Answer Key: D

Explanation: For WBLCF, continuous donations are the primary constraint—without steady financial inflow the model of giving two-thirds of meals free cannot be sustained. Funding stability underpins the ability to pay suppliers, run kitchens, and plan expansion or replication.

Why others are wrong: Salaries, cooks, menu variety, and attracting diners are important but secondary; they become solvable if funding is reliable.

9

# XAT Decision Making by Cetking

Answer Key: E

Explanation: Asking diners to eat less, preaching restraint, and rationing contradict WBLCF's ethos that everyone may "eat to the fullest"; these ideas undermine the core moral promise and would clash with the mission and brand identity. Operational tweaks (1,2) can be consistent, but 3–5 directly oppose the founding principle.

Why others are wrong: Options that include any of 3–5 are inconsistent with the ethos; 1 and 2 are compatible efficiencies, so answers excluding 3–5 are incorrect.

10

Answer Key: B

Explanation: A weekly community recipe competition judged by locals engages broad participation, surfaces authentic dishes, validates origin through community consensus, and builds a continual, low-cost documentation pipeline—ideal for conserving local food heritage sustainably.

Why others are wrong: Relying on a single chef, ad-hoc diners, delivery partners, or one volunteer lacks scale, representativeness, or sustainability for comprehensive conservation.

11

Answer Key: B

Explanation: Using PERT, compute expected times ( $te = (to + 4tm + tp)/6$ ) for each activity, identify the longest path (critical path), and sum its expected times. The standard solution indicates the longest path is A→B→F→I with an aggregate expected duration around 32.3 minutes, so that path determines the expected project duration.

Why others are wrong: Other choices reflect incorrect path selection or misuse of the PERT formula; without calculating  $te$  and identifying the critical path, they are unsupported.

12

Answer Key: B

Explanation: To minimize dissatisfaction (AWT – EWT), set the communicated (expected) time conservatively—use the pessimistic ( $tp$ ) of the critical path so the probability of actual completion exceeding the promise is low. For the A→B→F→I path the pessimistic sum equals 38 minutes, which minimizes customer disappointment.

Why others are wrong: Using optimistic or average times raises the chance of actual delay and customer dissatisfaction; other path times do not address worst-case risk on the critical path.

13

Answer Key: C

Explanation: Volatility in PERT is proportional to  $tp - to$  (standard deviation =  $(tp - to)/6$ ). Activities C, F and G show the largest  $tp - to$  ranges; among provided choices, activity C is a correct selection for highest volatility because its range is maximal and reflects greatest schedule uncertainty.

Why others are wrong: Other activities have smaller ranges and lower variance; selecting them understates the project risk profile.

14

Answer Key: D

# XAT Decision Making by Cetking

**Explanation:** Evidence that influential city actors (lawyers) continue to use non-compliant vehicles signals weak enforcement or the ability to legally challenge norms; this reassures Raghbir more than technical assurances or anecdotal sightings because it reflects enforcement reality and local risk tolerance.

**Why others are wrong:** Mechanic assurances lack authority; using status/doctor influence is unethical; the mere presence of old cars doesn't prove a de facto non-enforcement environment.

15

**Answer Key:** E

**Explanation:** Providing a chauffeur preserves Raghbir's status and daily convenience while removing him as the daily driver of the polluting SUV; it's a psychologically palatable substitution that reduces usage without demanding sacrifice or lowering prestige. This solution is behaviorally and socially acceptable.

**Why others are wrong:** Replacing or selling the SUV (A,B) attacks identity; public transport (C) conflicts with status and convenience; retrofitting (D) may be costly or impractical.

16

**Answer Key:** B

**Explanation:** A Panchayat resolution is an official, local-government instrument that creates formal political standing and can legitimately stall or demand negotiation on a state project; it leverages local democratic authority and is pragmatic for Budugu to effect delay or renegotiation.

**Why others are wrong:** NGO alliances or strikes are weaker or riskier; suspending community services harms villagers; environmental surveys are slow and may not block immediate action.

17

**Answer Key:** B

**Explanation:** The MLA should counter negative publicity with a positive, widely publicized narrative about the project's socioeconomic benefits—jobs, revenue, improved livelihoods—because a strong pro-development message reframes public opinion and neutralizes opposition without capitulating.

**Why others are wrong:** Inviting Panchayat could empower opposition; seeking alternate land concedes ground and delays; discrediting the protester risks reputational blowback; token donations don't address the perception problem.

18

**Answer Key:** C

**Explanation:** Showcasing Pragati's awards and personal achievements establishes an independent, objective record of merit that separates her identity from her father's stance; tangible accolades are persuasive to corporations concerned about reputation risk.

**Why others are wrong:** Political arguments or changing surname are either irrelevant or evasive; a blog is too slow and informal to overcome immediate hiring hesitancy.

19

**Answer Key:** B

# XAT Decision Making by Cetking

**Explanation:** Mobilizing employed villagers to persuade Chanchala uses social influence from her peers and community leaders who benefit from the contract; social pressure from one's network is often more effective, legitimate, and sustainable than one-off payouts or legal threats.

**Why others are wrong:** Excommunication is unethical; paying off or promising jobs buys compliance and sets bad precedents; lawsuits or compensation are costly and can entrench opposition.

20

**Answer Key: E**

**Explanation:** Rebranding to "Purified Spring Water" after immediate remediation preserves the plant's business, addresses the contamination issue transparently, and avoids misleading claims; it balances consumer safety, regulatory compliance, and commercial continuity.

**Why others are wrong:** Closing halts livelihoods and revenue; continuing to bottle contaminated water is fraudulent and dangerous; mislabeling is illegal; sourcing distant water is prohibitively expensive and logistically complex.