

# XAT Decision Making

## Sample Paper – 8

Duration: 48 Minutes

Maximum Marks: 21

### Instructions

- This paper contains **21** Multiple Choice Questions (Single Correct Answer), modelled on the Decision Making section of **XAT** (Xavier Aptitude Test), conducted by XLRI.
- Each correct answer carries **+1 mark**, with **0.25 marks deducted** for every incorrect answer. (In the actual XAT you may leave up to **8** questions across Part 1 unattempted without penalty; thereafter each blank costs **0.10** marks.)
- The paper has **six caselets**, each describing a business or ethical situation and followed by a few questions.
- Choose the **most appropriate** option, that is, the action that is honest, fair to all stakeholders, and still workable. Decide **only** from the facts in the caselet; do not invent details.
- Attempt this practice paper in one timed sitting of about **48 minutes**. Use of mobile phones and electronic gadgets is prohibited.

### Caselet I

*Directions (Q1–Q4): Read the following situation and answer the questions that follow.*

Dr. Kavita is treating Mr. Rao, whose recent tests show that his illness is advanced and his prognosis is poor. Mr. Rao is anxious, but he has repeatedly said he wants to know his true condition so that he can settle his personal affairs while there is time. His adult son begs Dr. Kavita to hide the truth, fearing that the news will crush his father's spirit. Dr. Kavita must now decide what to tell Mr. Rao, and how, balancing honesty, the patient's clear wish to know, and the family's worry.

**Q1.** What is the most appropriate course of action for Dr. Kavita?

- (A) Tell the son the full truth and let him decide what, if anything, his father should hear.



- (B) Withhold the diagnosis entirely to protect Mr. Rao's spirits, as his son asks.
- (C) State the grim facts bluntly and at once, with no support or follow-up of any kind.
- (D) Tell Mr. Rao the truth honestly and compassionately, respecting his wish to know and offering support.

**Q2.** The central dilemma Dr. Kavita faces is best described as:

- (A) whether she is technically skilled enough to treat the illness at all.
- (B) the tension between the patient's right to know the truth and the family's wish to protect him.
- (C) whether the son should be allowed to visit the hospital ward.
- (D) whether doctors should ever treat seriously ill patients.

**Q3.** Which of the following would be the **least** appropriate action?

- (A) Lying to Mr. Rao that his condition is improving, against his clear wish to know.
- (B) Telling him the truth gently and offering him emotional support.
- (C) Discussing the prognosis and the care options open to him.
- (D) Giving him time and checking how much he wishes to be told.

**Q4.** Choosing to hide the prognosis would mainly rest on the assumption that:

- (A) Mr. Rao has no interest at all in his own condition.
- (B) the test results are certainly wrong.
- (C) Mr. Rao cannot cope with the truth and is better off not knowing.
- (D) the son is himself a qualified doctor.

### Caselet II

*Directions (Q5–Q7): Read the following situation and answer the questions that follow.*



Sunil heads an appliance company. His engineers report that a small batch of water heaters left the factory with a wiring flaw that could, in rare cases, cause a fire. A full recall would be expensive and embarrassing, and the risk to any single user is low, but a fire would seriously injure whoever it struck. The sales for the quarter look strong, and no incident has yet been reported. Sunil must decide how to respond to the safety report.

- Q5.** What is the most appropriate step for Sunil?
- (A) Say nothing and quietly fix the flaw only in future production.
  - (B) Wait until an actual fire is reported before taking any action.
  - (C) Recall the affected batch, warn the users, and repair or replace the units.
  - (D) Offer a discount on the next model instead of addressing the flaw.
- Q6.** If a faulty heater catches fire, which stakeholder would be most affected?
- (A) The users whose homes and personal safety are put at risk by the fire.
  - (B) The company's advertising agency.
  - (C) The firm's raw-material suppliers.
  - (D) A rival appliance brand in another country.
- Q7.** Which principle best guides Sunil's decision?
- (A) User safety must come first, even when protecting it is costly or embarrassing.
  - (B) A low probability of harm means the firm owes its users nothing.
  - (C) The cheapest available response is always the right one.
  - (D) Product problems are best hidden until customers discover them.

### Caselet III

*Directions (Q8–Q11): Read the following situation and answer the questions that follow.*



Farah manages hiring for her department. Her boss asks her to hire his nephew, Imran, for a role that needs strong technical skills. Imran is pleasant, but he is clearly the weakest of the shortlisted candidates and would struggle in the job. Several better-qualified applicants have also applied. Farah's boss hints that hiring Imran would be good for her own career prospects. Farah must decide whom to recommend.

**Q8.** What should Farah most appropriately do?

- (A) Hire Imran to please the boss and protect her own prospects.
- (B) Reject Imran rudely and complain about the boss to everyone in the office.
- (C) Hire Imran on paper but secretly give his real work to someone else.
- (D) Select the best-qualified candidate on merit and explain her reasoning honestly to the boss.

**Q9.** The central dilemma Farah faces is:

- (A) the tension between hiring fairly on merit and pleasing her boss for her own gain.
- (B) whether Imran is a pleasant person to have around the office.
- (C) whether the department needs to hire anyone at all this year.
- (D) which software tool the new recruit should be trained on.

**Q10.** On what basis should the role be filled?

- (A) On merit, choosing the candidate best able to do the job well.
- (B) On family connection to senior management.
- (C) On whichever choice most flatters the boss.
- (D) On who is the most pleasant, regardless of skill.

**Q11.** If Farah hires Imran despite his weakness, the main risk is that:

- (A) the rejected candidates will immediately sue the company.
- (B) the department's work will suffer and fair hiring in the team will be undermined.



- (C) the boss will resign from the firm the same week.
- (D) Imran will refuse to accept the job offer.

### Caselet IV

*Directions (Q12–Q14): Read the following situation and answer the questions that follow.*

A four-member student team wins Rs. 80,000 in a design contest and must divide the prize. Their records show the hours each member put in: Anya 120 hours, Bhaskar 90 hours, Chirag 60 hours, and Deepa 30 hours, for 300 hours in all. Anya led the project and did the most work, while Deepa joined late and did the least. All four are friends and want the split to feel fair. The organising committee must decide how to divide the prize money.

- Q12.** What is the most appropriate way to split the prize?
- (A) Give the entire prize to Anya, since she led the team.
  - (B) Divide the prize broadly in proportion to each member's contribution, agreed openly by all.
  - (C) Give the whole amount to Deepa, because she needs the money most.
  - (D) Let Anya alone decide each person's share in secret.
- Q13.** If the prize were split strictly in proportion to hours worked, how much would Anya receive?
- (A) Rs. 20,000
  - (B) Rs. 24,000
  - (C) Rs. 8,000
  - (D) Rs. 32,000
- Q14.** Which basis for splitting the prize would be **least** fair?
- (A) Roughly in proportion to each member's contribution.
  - (B) A split that the whole team discusses and agrees on together.
  - (C) Weighting effort while leaving a small equal base for everyone.



(D) Dividing it by who is loudest in demanding a larger share.

### Caselet V

*Directions (Q15–Q18): Read the following situation and answer the questions that follow.*

Tara runs a growing software firm. A rival has started using aggressive, borderline tactics, exaggerated advertising claims and quiet disparagement of competitors, and is winning customers fast. Tara's sales team urges her to fight back with the same tactics. She worries about her firm's reputation and its long-standing promise of honest dealing, but she also fears losing market share if she does nothing. Tara must decide how to respond to the rival's behaviour.

**Q15.** What is the most appropriate response for Tara?

- (A) Copy the rival's tactics fully to avoid losing any customers.
- (B) Do nothing and simply accept the loss of market share.
- (C) Compete hard through honest means, a better product and fair claims, without adopting the borderline tactics.
- (D) Spread worse rumours about the rival to beat them at their own game.

**Q16.** The central tension Tara faces is:

- (A) whether her software is technically the best on the market.
- (B) whether her sales team deserves higher pay.
- (C) whether rivals should be allowed to advertise at all.
- (D) the pull between protecting short-term market share and keeping the firm's honest reputation.

**Q17.** The push to copy the rival's tactics mainly assumes that:

- (A) honest firms can never grow at all.
- (B) winning customers now matters more than the firm's long-term reputation.
- (C) the rival will surely be shut down tomorrow.
- (D) Tara's product is impossible to improve.



- Q18.** Which response would be the **least** appropriate for Tara?
- (A) Improving her product and stating its real strengths clearly.
  - (B) Reminding customers, truthfully, of her firm's honest record.
  - (C) Publishing false claims about the rival to damage its name.
  - (D) Reviewing her prices to stay competitive.

### Caselet VI

*Directions (Q19–Q21): Read the following situation and answer the questions that follow.*

Mr. Sharma, a teacher, receives a brilliant essay from Rohit, one of his students. On checking, he finds that large parts of it were copied word-for-word from a published article, with no credit given. The essay would otherwise earn the top grade. Rohit is a capable student who has produced honest work before. School rules treat plagiarism as a serious offence. Mr. Sharma must decide how to grade the essay and how to respond to Rohit.

- Q19.** What is the most appropriate course of action for Mr. Sharma?
- (A) Award the top grade and say nothing, since the essay reads well.
  - (B) Grade the essay honestly under the rules, discuss the plagiarism with Rohit, and give him a chance to learn and redo the work.
  - (C) Expel Rohit from the school at once for the offence.
  - (D) Ignore the copying this once, but warn him privately never to be caught again.
- Q20.** Which principle best guides Mr. Sharma's decision?
- (A) Academic honesty must be upheld, while a first offender is still treated fairly and given a chance to learn.
  - (B) Brilliant writing excuses copying if the result is good enough.
  - (C) Rules should be ignored whenever a student is talented.
  - (D) A single mistake should end a student's education for good.
- Q21.** Which of the following would be the **least** appropriate response?



- (A) Discussing citation and honest writing with Rohit.
- (B) Applying the plagiarism rule while giving him a fair chance to redo the work.
- (C) Awarding the essay the top grade as if the copying had never happened.
- (D) Recording the incident as the school rules require.



**Detailed Solutions**

Q1.

**Solution**

**What is asked:** the most appropriate course of action for the doctor.

**Reasoning:** Mr. Rao has clearly and repeatedly said he wants to know his true condition. Respecting that wish, while breaking the news gently and with support, is the honest and humane choice. Option D tells him the truth compassionately and offers support.

**Why the other options are wrong:**

- Option A: Handing the decision to the son ignores Mr. Rao's own clear wish to know.
- Option B: Withholding the diagnosis is dishonest and overrides his autonomy.
- Option C: A blunt disclosure with no support is needlessly cruel.

**Final Answer:** Tell him the truth honestly and with support ⇒

[Go Back to Q1](#)

Q2.

**Solution**

**What is asked:** the central dilemma.

**Reasoning:** The doctor is pulled between the patient's right to know the truth and the family's plea to shield him. That conflict is the heart of the caselet. Option B names it exactly.

**Why the other options are wrong:**

- Option A: Her technical skill is not in question here.
- Option C: Hospital visiting arrangements are not the issue.
- Option D: Whether to treat ill patients at all is far outside the situation.

**Final Answer:** Patient's right to know versus family's wish to protect ⇒

[Go Back to Q2](#)



Q3.

**Solution**

**What is asked:** the least appropriate action.

**Reasoning:** Actively lying that the illness is improving, against the patient's clear wish to know, is both dishonest and harmful. It is the one option that fails honesty outright. So option A is least appropriate.

**Why the other options are wrong:**

- Option B: Telling the truth gently with support is exactly right.
- Option C: Discussing prognosis and care options is helpful.
- Option D: Checking how much he wishes to be told is considerate.

**Final Answer:** Lying that his condition is improving  $\Rightarrow$

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Q4.

**Solution**

**What is asked:** the assumption behind hiding the prognosis.

**Reasoning:** One would only conceal the truth if one believed the patient could not handle it and was better off unaware. That belief is the hidden assumption. Option C states it.

**Why the other options are wrong:**

- Option A: He has plainly shown interest, so this is false.
- Option B: Concealment does not assume the tests are wrong.
- Option D: The son's qualifications are irrelevant to the assumption.

**Final Answer:** He cannot cope and is better off not knowing  $\Rightarrow$

[Go Back to Q4](#)



Q5.

**Solution**

**What is asked:** the most appropriate step on the safety report.

**Reasoning:** A fire could seriously injure a user, so the safe and responsible move is to recall the affected batch, warn users, and fix the units. Option C protects users even at cost and embarrassment.

**Why the other options are wrong:**

- Option A: Fixing only future units leaves existing owners exposed.
- Option B: Waiting for an actual fire gambles with people's safety.
- Option D: A discount deflects attention without removing the danger.

**Final Answer:** Recall, warn, repair or replace ⇒

[Go Back to Q5](#)

Q6.

**Solution**

**What is asked:** the stakeholder most affected by a fire.

**Reasoning:** A fire would strike the users in their own homes, putting their property and lives at direct risk. They bear the heaviest and most immediate harm. Option A identifies them.

**Why the other options are wrong:**

- Option B: The ad agency is not physically endangered.
- Option C: Suppliers are a distant stakeholder here.
- Option D: A rival brand abroad is barely affected.

**Final Answer:** The users whose homes and safety are at risk ⇒

[Go Back to Q6](#)



Q7.

**Solution**

**What is asked:** the principle that best guides the decision.

**Reasoning:** When a product can injure people, user safety must take priority over cost and reputation. Option A states this principle plainly.

**Why the other options are wrong:**

- Option B: A low chance of harm does not cancel the firm's duty of care.
- Option C: "Cheapest is always right" ignores the human risk.
- Option D: Hiding problems until customers find them is dishonest and dangerous.

**Final Answer:** User safety comes first, even when costly  $\Rightarrow$

[Go Back to Q7](#)

Q8.

**Solution**

**What is asked:** the most appropriate action on the hiring request.

**Reasoning:** The fair and workable choice is to pick the best-qualified candidate on merit and explain the decision honestly to the boss. Option D upholds fairness to applicants and to the department while being transparent.

**Why the other options are wrong:**

- Option A: Hiring Imran for career gain is favouritism and hurts the work.
- Option B: Complaining rudely about the boss is unprofessional and unhelpful.
- Option C: Hiring him but hiding the real work is dishonest and unworkable.

**Final Answer:** Select on merit and explain honestly  $\Rightarrow$

[Go Back to Q8](#)



Q9.

**Solution**

**What is asked:** the central dilemma Farah faces.

**Reasoning:** Farah is torn between hiring fairly on merit and pleasing her boss for her own advancement. That conflict is the core of the situation. Option A names it.

**Why the other options are wrong:**

- Option B: Imran being pleasant is not the real conflict.
- Option C: Whether to hire at all is not in question.
- Option D: The choice of software tool is a trivial detail.

**Final Answer:** Fair hiring on merit versus pleasing the boss  $\Rightarrow$

[Go Back to Q9](#)

Q10.

**Solution**

**What is asked:** the correct basis for filling the role.

**Reasoning:** A role that needs strong technical skills should go to the candidate best able to do the job, that is, on merit. Option A states this fair basis.

**Why the other options are wrong:**

- Option B: Family connection is not a proper basis for hiring.
- Option C: Flattering the boss corrupts the decision.
- Option D: Pleasantness alone cannot do a technical job.

**Final Answer:** On merit, the candidate best able to do the job  $\Rightarrow$

[Go Back to Q10](#)

Q11.

**Solution**

**What is asked:** the main risk of hiring Imran despite his weakness.

**Reasoning:** An unqualified hire will struggle, so the department's work suffers, and playing favourites undermines fair hiring for everyone else. Option B captures both consequences.



**Why the other options are wrong:**

- Option A: An immediate lawsuit from rejected candidates is an over-reach.
- Option C: The boss resigning that week is far-fetched.
- Option D: Imran refusing the job is not the natural risk here.

**Final Answer:** Work suffers and fair hiring is undermined  $\Rightarrow$  **B**

**Answer: (B)** [Go Back to Q11](#)

**Q12.**

**Solution**

**What is asked:** the most appropriate way to split the prize.

**Reasoning:** The members contributed unequal effort, so a fair split tracks contribution and is agreed openly by all four. Option B is both fair and transparent.

**Why the other options are wrong:**

- Option A: Giving it all to Anya ignores the others' real work.
- Option C: Giving it all to Deepa rewards need over contribution and effort.
- Option D: Letting Anya decide in secret is an unfair, closed process.

**Final Answer:** Split by contribution, agreed openly  $\Rightarrow$  **B**

**Answer: (B)** [Go Back to Q12](#)

**Q13.**

**Solution**

**What is asked:** Anya's share if the prize is split strictly by hours.

**Reasoning:** Anya worked 120 of the 300 total hours. Her fraction of the work is  $120 \div 300 = 0.4$ . Her share of the prize is  $0.4 \times \text{Rs. } 80,000 = \text{Rs. } 32,000$ . Option D matches.

**Why the other options are wrong:**

- Option A: Rs. 20,000 is an equal one-fourth split, not proportional.
- Option B: Rs. 24,000 is Bhaskar's share ( $90 \div 300 = 0.3$ ).
- Option C: Rs. 8,000 is Deepa's share ( $30 \div 300 = 0.1$ ).

**Final Answer:**  $0.4 \times 80,000 = \text{Rs. } 32,000 \Rightarrow$  **D**



**Answer: (D)** [Go Back to Q13](#)

Q14.

### Solution

**What is asked:** the least fair basis for splitting the prize.

**Reasoning:** Dividing the money by who shouts loudest rewards aggression, not contribution, and is plainly unfair. It is the one basis that ignores the actual work. Option D.

**Why the other options are wrong:**

- Option A: Splitting by contribution is fair.
- Option B: A split the whole team agrees on is fair.
- Option C: Weighting effort with a small equal base is a reasonable, fair rule.

**Final Answer:** Dividing by who is loudest  $\Rightarrow$

**Answer: (D)** [Go Back to Q14](#)

Q15.

### Solution

**What is asked:** the most appropriate response to the rival's tactics.

**Reasoning:** Tara can fight back without abandoning her firm's honesty, by improving the product and making fair, truthful claims. Option C competes hard while keeping her integrity.

**Why the other options are wrong:**

- Option A: Copying the borderline tactics sacrifices the firm's honest reputation.
- Option B: Doing nothing needlessly surrenders the market.
- Option D: Spreading worse rumours is even more dishonest than the rival.

**Final Answer:** Compete hard through honest means  $\Rightarrow$

**Answer: (C)** [Go Back to Q15](#)



Q16.

**Solution**

**What is asked:** the central tension Tara faces.

**Reasoning:** Tara is caught between defending short-term market share and preserving her firm's honest reputation over the long run. That trade-off drives the caselet. Option D names it.

**Why the other options are wrong:**

- Option A: Whether her software is technically best is not the conflict.
- Option B: Sales-team pay is not the issue.
- Option C: Whether rivals may advertise at all is beside the point.

**Final Answer:** Short-term share versus honest reputation ⇒ **D**

**Answer: (D)** [Go Back to Q16](#)

Q17.

**Solution**

**What is asked:** the assumption behind copying the rival's tactics.

**Reasoning:** Choosing to copy borderline tactics assumes that grabbing customers now outweighs the damage to the firm's long-term reputation. That trade-off is the hidden assumption. Option B states it.

**Why the other options are wrong:**

- Option A: "Honest firms can never grow" is an unsupported extreme.
- Option C: The rival's imminent shutdown is not assumed at all.
- Option D: Copying does not assume her product cannot improve.

**Final Answer:** Winning now outweighs long-term reputation ⇒ **B**

**Answer: (B)** [Go Back to Q17](#)



Q18.

**Solution**

**What is asked:** the least appropriate response for Tara.

**Reasoning:** Publishing false claims to damage the rival is dishonest and would harm the very reputation Tara wants to protect. It is the clearly worst option. Option C.

**Why the other options are wrong:**

- Option A: Improving the product and stating real strengths is honest and effective.
- Option B: Truthfully recalling her firm's honest record is fair.
- Option D: Reviewing prices to stay competitive is legitimate.

**Final Answer:** Publishing false claims about the rival ⇒  C

**Answer: (C)** [Go Back to Q18](#)

Q19.

**Solution**

**What is asked:** the most appropriate course of action on the plagiarism.

**Reasoning:** The copying must be addressed under the rules, but Rohit is a first offender who can learn from it. Option B grades honestly, talks to him, and gives him a fair chance to redo the work.

**Why the other options are wrong:**

- Option A: Awarding the top grade and staying silent rewards plagiarism.
- Option C: Immediate expulsion is a harsh over-reaction for a first offence.
- Option D: Ignoring it and warning him only “not to be caught” condones dishonesty.

**Final Answer:** Apply the rule, discuss, and let him redo it ⇒  B

**Answer: (B)** [Go Back to Q19](#)



Q20.

**Solution**

**What is asked:** the principle that best guides the teacher.

**Reasoning:** Academic honesty has to be upheld, but a capable first offender deserves fair treatment and a chance to learn. Option A balances both duties.

**Why the other options are wrong:**

- Option B: Good writing does not excuse copying.
- Option C: Ignoring rules for talent abandons honesty altogether.
- Option D: Ending a student's education over one mistake is disproportionate.

**Final Answer:** Uphold honesty while treating a first offender fairly ⇒

**Answer:** (A) [Go Back to Q20](#)

Q21.

**Solution**

**What is asked:** the least appropriate response.

**Reasoning:** Awarding the top grade as if the copying never happened rewards plagiarism and ignores the school rules. It is the one clearly wrong response. Option C.

**Why the other options are wrong:**

- Option A: Discussing citation and honest writing helps Rohit learn.
- Option B: Applying the rule while allowing a redo is fair.
- Option D: Recording the incident follows the rules correctly.

**Final Answer:** Awarding the top grade as if nothing happened ⇒

**Answer:** (C) [Go Back to Q21](#)



## Answer Key

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

