



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

ISBF GRADUATE DIPLOMA ENTRANCE TEST

PREPARATORY ADVICE

Section A

This section tests your mathematical and statistical reasoning, and general quantitative ability. The emphasis is on clarity of key mathematical concepts, rather than on the ability to solve numerical questions.

The section will encompass the following topics – coordinate geometry; measures of central tendency; quadratic equations; ratios, proportions and percentages; numbers and their properties; arithmetic progression; factors and fractions; properties of triangles, quadrilaterals and circles; linear equations, including simultaneous equations; Venn diagrams; time, speed, distance and work; mensuration; syllogisms; visual or numerical patterns; sufficiency of statements to support conclusions; relations and functions; limits; differentiation and its applications; integration; matrices and determinants; concavity and convexity of functions; measures of dispersion; correlations; probability; expectations operator; hypothesis testing; and statistical distributions.

Topics that are entirely unrelated to those mentioned above need not be prepared.

Section B

This section tests your abilities of logical reasoning, comprehension, assimilative reading and data interpretation. Several questions will require you to read passages – either single passages or multi-passage case studies – and answer analytical questions based on them.

To prepare for this section, you would do well to read widely with a spirit of enquiry. The emphasis should be on ensuring that you understand everything you read (whether textbooks, newspapers, magazines or other online or offline publications), and can answer inferential and analytical questions based on such reading. To achieve this, discussing with others the key takeaways and learnings from your readings is likely to be helpful. It will be important to be mentally fresh and alert while attempting this section, as it will require you to think analytically.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

SAMPLE QUESTION PAPER

Instructions:

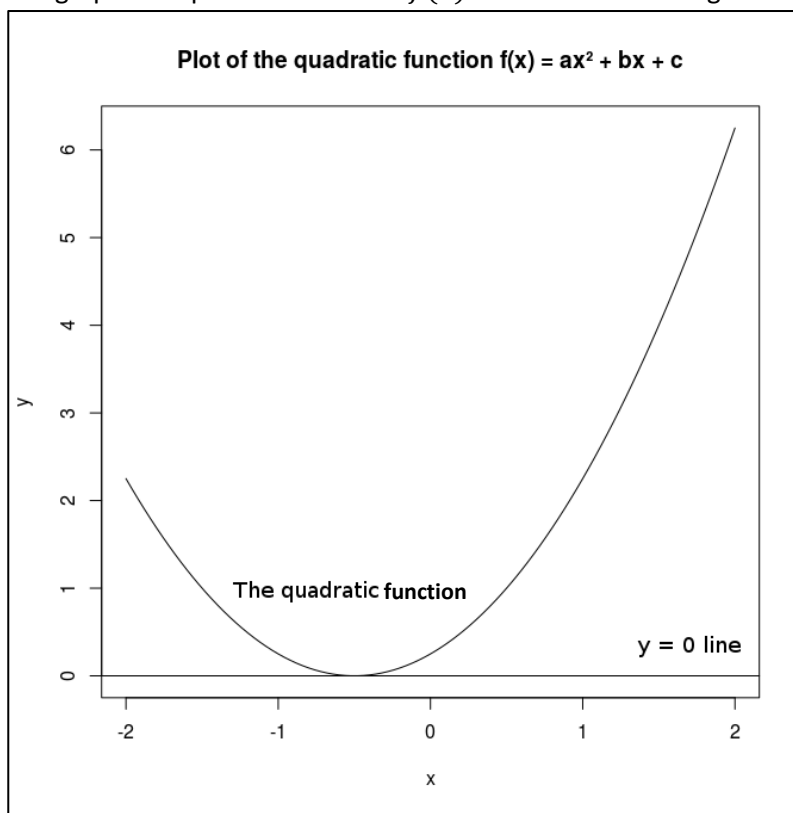
- 1) This sample question paper is intended to be *indicative* of the pattern and degree of difficulty of the final question paper.
- 2) This paper consists of two sections. It is worth a total of 100 marks, and you will have 2 hours (120 minutes) to complete it.
- 3) **Section A consists of 31 multiple choice questions (MCQs), worth a total of 49 marks. For Questions 1 to 26, each correct answer will fetch 1.5 marks, while for Questions 27 to 31, each correct answer will fetch 2 marks. Every incorrect answer in this section will reduce your total score by 0.5 marks.** This section tests mathematical reasoning and quantitative ability. Some questions in this section may have multiple right options. Your answer will be considered as correct only if all the right options are marked.
- 4) **Section B consists of 34 MCQs, worth a total of 51 marks. Each correct answer will fetch 1.5 marks, and every incorrect answer will reduce your total score by 0.5 marks.** This section tests your abilities of logical reasoning, comprehension, assimilative reading and data interpretation. Where there are passages preceding questions (or sets of questions), you must read them carefully and answer the questions in light of your reading.
- 5) You are advised to allocate time to each section according to the proportion of marks it is worth.

SECTION A

This section consists of 31 questions, and is worth a total of 49 marks.

Questions 1 to 26 are worth 1.5 marks each, while Questions 27 to 31 are worth 2 marks each. Every incorrect answer in this section will reduce your total score by 0.5 marks. Some questions may have multiple correct answers.

1. The graph of a quadratic function $f(x) = ax^2 + bx + c$ is given below:



Which of the following statement(s) is/are true?

Statement I: $b^2 - 4ac > 0$

Statement II: $\frac{c}{a}$ is a positive number

- I only
- II only
- Both I and II
- Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

2. For the following quadratic equation: $b^2x^2 - bx + c = 0$, where $0 < c < \frac{1}{4}$, which of these statement(s) is/are true?
Statement I: The roots of this equation are real and distinct.
Statement II: The roots of this equation have the same sign.
- I only
 - II only
 - Both I and II
 - Neither I nor II
3. The straight line S with equation $ax + by = 0$, which passes through $(0, 0)$, is rotated by 90° with $(0, 0)$ as the center, to obtain a new straight line T. What is the equation of T?
- $ax - by = 0$
 - $ay - bx = 0$
 - $ay + bx = 0$
 - Cannot be determined
4. Which of the following statement(s) is/are true?
Statement I: The area formed by the intersection of the straight lines $ax + by = c$, $bx - ay = \frac{1}{c}$ and $ax + by = ac$, where $a, b, c, \alpha > 0$, is $\frac{c^2}{\alpha ab}$ square units.
Statement II: The area formed by the intersection of the straight lines $y = \alpha x$, $y = \beta x$ and $y = \delta x$, where $\alpha, \beta, \delta > 0$ and $\alpha \neq \beta \neq \delta$, is $\frac{\delta^2}{\alpha\beta}$ square units.
- I only
 - II only
 - Both I and II
 - Neither I nor II
5. Which of the following statement(s) is/are true?
Statement I: Every point on the line $ax + by = 2c$ lies c units vertically above every point on the line $ax + by = c$.
Statement II: Every point on the line $ax + by = 2c$ lies c units vertically above every point on the line $2ax + by = c$.
- I only
 - II only
 - Both I and II
 - Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

INDIAN SCHOOL OF BUSINESS & FINANCE

6. There are 15 adults in a room. The mean weight of the first 5, 10 and 15 adults is the same. Additionally, the mean weight of the first 5, 10 and 15 adults is the same as the median weight and the modal weight of the first 5, 10 and 15 adults respectively. Given this information, which of the following statements is correct?
- All adults in the room have the same weight
 - The weight of every adult in the room is one of any two numbers
 - The weight of every adult in the room is one of any three numbers
 - None of the above

7. Given below is the distribution of scores of the students in a class:

Score	7	5	3	4	6
%age of students	10%	40%	30%	5%	15%

Based on this information, which of the following statement(s) is/are true?

Statement I: The mean, median and mode scores of the above distribution are equal.

Statement II: You are now told that there was an administrative mistake in recording the scores of 15% of the students. The record shows that these students scored 6, while their actual score was 8. Post this modification, the mean, median and mode of the distribution are equal.

- I only
 - II only
 - Both I and II
 - Neither I nor II
8. A teacher had planned to cover one-fourth of his syllabus in class, but due to some emergency he could only cover one-fifth. He knows that if students are attentive in class, they understand 90% of what he teaches, but if they are not attentive they understand only 20% of what attentive students understand. Given this information, which of the following statements is true?
- For every unit of syllabus that the teacher covers, inattentive students understand just over a fifth.
 - For every unit of syllabus that attentive students do not understand, inattentive ones don't understand more than eight.
 - Both of the above
 - None of the above
9. If $f(x) = (2 - x)^{x/3}$ and $4^n = f(10)$, then what is the value of n ?
- 7
 - 5
 - 6
 - 4



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

10. A building has 7 floors. The number of steps leading up to a floor is given by the square of the floor number. A father is looking for his naughty son, who has started moving downstairs from the topmost floor of the building. The father, starting upwards from the ground floor, climbs twice as many steps as his son does. When the father and son meet, what percentage of the total steps (taken by both father and son) would have been taken by the father?
- 33.33%
 - 50%
 - 66.67%
 - 75%
11. Firm B buys a good from firm A, and sells it to firm C at a profit of $a\%$. Firm C then sells it to the consumer at a loss of $d\%$. What is the percentage change in the amount paid by firm B, and the amount paid by the consumer?
- $\left(a - d - \frac{ad}{100}\right)\%$
 - $\left(a - d - \frac{ad}{100}\right) 100\%$
 - $\left(1 + \frac{a}{100}\right)\left(1 - \frac{d}{100}\right)\%$
 - None of the above
12. If x and y are integers, which of the following statements must be true?
- Statement I: If x is divisible by 3, then $(x + 6)^3 y$ is also divisible by 3, and is an even number.
- Statement II: If at least one of x and y is odd, then $(x - y)^3$ must be odd.
- I only
 - II only
 - Both I and II
 - Neither I nor II
13. Consider two regular polygons of side a cm each. The first polygon has 6 sides, and the second one has eight sides. Given this information, which of the following statement(s) is/are true?
- Statement I: Given a , the diameter of the largest circle which can be fitted in each of the polygons can be determined.
- Statement II: The area of the largest circle which can be fitted in the second polygon is larger than the area of the largest circle which can be fitted in the first polygon.
- I only
 - II only
 - Both I and II
 - Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

14. A manufacturer sells 1000 units of a commodity in Week 1. Every subsequent week, the sales of the manufacturer rise by 100 units. Based on this information, which of the following statement(s) is/are true?

Statement I: The manufacturer's sales in week n are $1000 + 100n$.

Statement II: If $(1 + 2 + 3 + \dots + n) = \frac{(n)(n+1)}{2}$, the total sales of the manufacturer at the end of n weeks is $1000n + \frac{100(n)(n-1)}{2}$.

- a. I only
 - b. II only
 - c. Both I and II
 - d. Neither I nor II
15. A firm's demand curve is given by the equation $Q_D = 100 - P$, where Q_D is quantity demanded and P is price. The firm's supply curve is given by $P = Q_S + 10$, where Q_S is quantity supplied. The firm determines its equilibrium output Q (i.e. decides how much output Q to produce) at the level where $Q_D = Q_S$, or quantity demanded is equal to quantity supplied. What are the equilibrium output (Q) and price (P) of the firm?
- a. $Q=65, P=35$
 - b. $Q=35, P=65$
 - c. $Q=55, P=45$
 - d. $Q=45, P=55$

16. Consider the function $f(x) = x^2 + 2x + 1$. Which of the following statements is/are true for this function?

Statement I: The function yields positive values for all positive values of x .

Statement II: The function is decreasing for all negative values of x .

- a. I Only
 - b. II Only
 - c. Both I & II
 - d. Neither I nor II
17. If the mean of two datasets is x_1 and y_1 respectively, which of the following must be true about their variances?
- a. The variances of the two datasets will be equal
 - b. The variance of the first data set will be greater
 - c. The variance of the second dataset will be greater
 - d. Cannot be determined



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

18. Which of the following represents the mean and variance of the standard normal distribution, expressed in the (*mean, variance*) format?

- a. (0,1)
- b. (1,0)
- c. (0, K), where K denotes degree of freedom
- d. (K , 0), where K denotes degree of freedom

19. Which of the following statements is/are true?

Statement I: Smaller variability around average implies negative variance.

Statement II: The measure of dispersion which uses only two observations is called mean deviation.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

20. Which of the following statements is/are true?

Statement I: Zero correlation coefficient between two random variables doesn't necessarily imply non-dependence.

Statement II: Correlation implies causation.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

21. X is uniformly distributed, and it can take one of three values – 4, 5, 6 and 9. What is expected value of X ?

- a. 3
- b. 4
- c. 5
- d. 6

22. The area enclosed by the curve $y^2 = 2y - x$ and y axis will be given by



Awarding Body



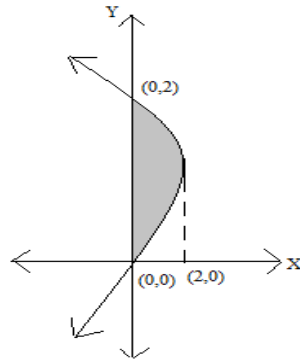
UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE



- (a) $\int_0^2 (2y - y^2) dy$
- (b) $\int_0^2 \sqrt{2y - x} dx$
- (c) $\int_0^2 (y^2) dy$
- (d) $\int_0^2 (2y - y^2) dx$

23. Which of the following statements about two matrices, A and B is/are true?

Statement I: If A and B are not of the same order, then $A + B$ is not defined.

Statement II: If AB is defined, then BA is also defined.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

24. In the context of hypothesis testing, which of the following statements is/are true?

Statement I: If a hypothesis test rejects the null, it implies that the alternate hypothesis is true.

Statement II: The null hypothesis and the alternate hypothesis are necessarily mutually exclusive.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

25. In the context of hypothesis testing, which of the following statements is/are true?



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

Statement I: The power of a test is the probability of rejecting the null hypothesis when it is true.

Statement II: Ceteris paribus, a larger sample will always lead to a more powerful hypothesis test.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

26. Which of the following statements is true for two events with strictly positive probabilities, if these events are mutually exclusive?

- a. These events must be complimentary.
- b. These events could be complimentary.
- c. These events cannot be complimentary.
- d. None of the above.

27. Which of the following functions represents the second order partial derivative of the function $p(x, y) = 3xy - \sin x + \cos y - \ln(xy)$, differentiated twice with respect to y ?

- a. $-\cos y + \frac{1}{y^2}$
- b. $\sin x + \frac{1}{x^2}$
- c. 3
- d. None of the above

28. $q(x)$ is a concave function, while $r(x)$ is a convex function. Now, consider $p(x) = q(x) + r(x)$. Which of the following statements is/are true?

Statement I: $p(x)$ is neither concave, nor convex.

Statement II: $p(x)$ can have more than 4 critical points.

- a. I Only
- b. II Only
- c. Both I & II
- d. Neither I nor II

29. If $f(x) = e^x$, which of the following statements is/are true?

Statement I: $f(x)$ is a convex function.

Statement II: $\lim_{x \rightarrow -\infty} f(x) = 0$.

- a. I Only
- b. II Only
- c. Both I & II
- d. Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

30. Which of the following statements is/are true for polynomial functions?

Statement I: The degree of a polynomial can be determined with certainty only on the basis of the number of critical points it has.

Statement II: If all the coefficients in a polynomial are positive, the polynomial cannot have a defined maxima.

- a. I Only
- b. II Only
- c. Both I & II
- d. Neither I nor II

31. For a function $y = f(x)$, where $f'(x) = \frac{dy}{dx} = 0$ when $x = c$, or in other words where $f'(c) = 0$, $f'(c + 1) > 0$, and $f'(c + 1) < 0$, which of the following statements is/are true?

Statement I: c is a point of local maxima.

Statement II: c is a point of could be a point of inflection.

- a. I Only
- b. II Only
- c. Both I & II
- d. Neither I nor II

SECTION B

This section consists of 34 questions, and is worth a total of 51 marks. Negative marking is applicable.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

Read the information given below, and answer questions 32 to 35

Seven friends are standing in a queue to buy stationery. Each friend is wearing a hat of a different colour – blue, green, red, white, orange, black or violet, and wants to buy a different stationery item – a pen, a ruler, a pencil, a notepad, a sketchbook, a ruler or an eraser. Based on the information below, answer the questions that follow.

The friend who wants to buy a pen is ahead in the queue of the one looking for a ruler.

The friend wearing the blue hat is at the end of the queue, and the friend in the green hat is first in line.

The friend in the orange hat is between the one who wants a sketchbook and the one who wants a glue stick.

The friend in the violet hat is behind the friend who wants to buy a pencil, and there is only one other friend between them.

The friend who wants to buy a ruler is either wearing the blue hat or the green one.

The friend who is standing at the third place from the end of the queue is wearing a white hat and wants a sketchbook.

The friend who wants an eraser is the first in line.

The friend in the red hat is ahead of the one in the black hat.

32. Which of the following statements is true?

- a. The friend who wants an eraser is ahead of the friend in the blue hat, but is behind the one who wants a glue stick.
- b. The friend in the white hat is immediately behind the one in the orange hat.
- c. The friend looking for a sketchbook is behind the one looking for a ruler.
- d. The friend in the black hat is first in line and wants to buy a pen.

33. What stationery item does the friend in the middle of the queue want?

- a. Eraser
- b. Glue stick
- c. Sketchbook
- d. Pencil

34. Which of the following statement(s) is/are true?

Statement I: The friend who wants a pencil could be ahead of or behind the one who wants a glue stick.

Statement II: The friend who wants to buy a notepad could be ahead of or behind the one who wants a glue stick.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

35. Which of the following statements cannot be true?

- a. The friend in the white hat is fifth in line.
- b. The friend in the red hat wants a pen and is second in line.
- c. The friend who wants to buy a glue stick is in the black hat.
- d. The friend in the green hat wants to buy a notepad.

Read the information given below, and answer questions 36 and 37

Eshan, Sameer, Jai, Simran, Veer and Fana are sitting at a circular table with six equidistant seats. Eshan is not adjacent to Sameer or Jai, and Simran is not adjacent to Jai or Veer. Sameer and Jai are adjacent, and Fana is in the middle of Simran and Jai.

36. Which of the following statements may be true?

Statement I: Veer is between Sameer and Eshan.

Statement II: Simran and Veer are sitting opposite each other.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

37. Which of the following statements may be true?

Statement I: Simran is sitting to the right of Eshan, and Veer is to Eshan's left.

Statement II: Jai is sitting to the right of Sameer, and Veer is to Sameer's left.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

38. Which **Conclusion(s)** necessarily follow from the **Statements** given below?

Statements

Some peas are onions.

All onions are papayas.

All papayas are sardines.

Conclusions

I. Some peas are papayas, onions and sardines.

II. All sardines which are papayas are also onions.

III. Sardines which are not onions are also not peas.

- a. Only I follows
- b. Only II and III follow
- c. I, II and III follow
- d. None of the above

39. Which **Conclusion(s)** necessarily follow from the **Statements** given below?



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

Statements

Some cats are alligators.

All panthers are alligators.

All alligators are panthers.

Some panthers are grapes.

Conclusions

I. All cats who are panthers are also alligators.

II. Some cats may be grapes.

III. All grapes are not necessarily cats.

- a. Only I follows
- b. Only II and III follow
- c. I, II and III follow
- d. None of the above

40. S1 and S2 represent the first and last sentences of a paragraph, respectively. Sentences P, Q, R and S must be placed between S1 and S2 to make a coherent paragraph. Determine their correct sequence.

S1: The Central Bank of Winterfell has declared that it will increase money supply.

P: Since most investment (say, new machines) in this economy is funded by borrowing, overall demand for machines (and therefore overall investment) in the economy will increase.

Q: Because the cost of borrowing goes down, people will borrow more.

R: Investors know that the 'monetary expansion' will reduce interest rates.

S: With more new machines being bought, producers of machines will make more machines.

S2: As a result, the overall GDP of the economy will increase.

- a. RQPS
- b. RPSQ
- c. QPSR
- d. QRPS

Read the paragraph below, and answer Questions 41 and 42

Paragraph 1: Today, Indian higher education faces a crisis of quality. One newspaper report after the other proclaims the lack of employability of our graduates. Even among engineers, considered the most job-worthy of our college-leavers, only one in five seems job-ready. This is the result of many things, important among them being the outdated curricula being taught in many Indian institutions and the lack of industry interface for those who are writing, teaching and learning them.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

41. Which of the following statements, if true, would strengthen the author's argument the most?
- a. A recent newspaper report found that only 20% of engineering graduates in India are employable.
 - b. Those writing curricula must recognize the immense responsibility being placed on their shoulders, for capacity-building and for preparing our workforce for the world of work.
 - c. Having different outlooks and world views, academic and industry professionals are loath to engage deeply with each other.
 - d. Even in developed countries, there is limited interaction between academicians and those working in industry.
42. **Paragraph 2:** This has created a ready niche for collaborative degree programmes, where prestigious international institutions partner with committed and capable local institutions to deliver a globally recognised education, relevant to local needs. Through this model, Indian students can have access to curricula designed and examined by leading academicians, many of whom are Nobel laureates or industry leaders. Invaluable intellectual capital is transferred from the international partner to the local institution, in the form of curricular content, teaching and learning resources, best practices and quality checks and processes. The end result is an application-oriented, cutting-edge education which produces lifelong learners who can meet the needs of modern, global workplaces.
- Which of the following is true about Paragraph 2?
- a. It extends the argument made in Paragraph 1.
 - b. It takes a circuitous route to examining the problem outlined in Paragraph 1.
 - c. It is unrelated to Paragraph 1.
 - d. It discusses a solution to the problem highlighted in Paragraph 1.

Read the three passages below, and answer Questions 43 to 59

Passage 1: The Road Ahead for British theatre

Adapted from The Hindu, March 22, 2018, by Vidya Ram

When the £12.5-million, 900-seat Bridge Theatre, located bang on the waterfront opposite the Tower of London, opened its doors last October, it was the first wholly new large theatre to open in Central London in over 80 years.

The theatre opened with a bold new piece, *Young Marx* – focusing on the early life of the philosopher shortly after the publication of the Communist Manifesto — tickets for which sold out quickly (it took in over a £1 million pounds before even opening, according to reports in the British press). While the play itself received mixed reviews, the opening of the theatre — whose creators have a declared policy of focusing mainly on new pieces of writing — was seen widely as a positive sign for Britain's lively theatre culture.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

In a city where real estate is pricey and scarce, it highlighted the appetite for works beyond the big blockbusters of the Hamilton and Wicked ilk, which dominate London's West End. The appetite extends well beyond Central London too: earlier this month, Waltham Forest, a London council, announced plans to acquire an old cinema that closed over a decade ago. It will open as a 1,000-seat theatre for comedy and other works.

There is also increasing diversity across the theatre scene, with ventures such as Tara Arts in south-west London, which after a renovation opened its doors to a venue fully focused on multicultural ventures back in 2016. "London is not a towering success over the rest of the country...we are seeing Birmingham, Bristol, Manchester develop their own cultural identities..." says Gregor Pryor, co-chair of the entertainment group at law firm Reed Smith.

According to government figures almost twice as many people visit the theatre in London than buy Premier League football tickets. Last year over 15 million tickets were sold, according to the Society of London Theatre (SOLT), with revenues exceeding £700 million, both all-time highs. Demand rose swiftly for both musicals and plays (with dance and opera seeing more muted growth). Figures are thought to have been boosted by the fall in the pound, attracting audiences from both Europe and beyond. However, SOLT remains cautious, pointing to the tougher climate seen by the industry in the second half of the year.

They are far from the only ones to express caution about the road ahead for British theatre. Ahead of the Brexit referendum in June 2016, leading figures from across the creative sector, from theatre to galleries (including Keira Knightley and Anish Kapoor), signed a joint letter and warned that the country could become an outsider "shouting from the wings" should it leave the European Union that had been key to the nation's success.

A survey published late last year by Global Future, an independent think tank, found that 46 of the 50 leading people in the U.K. creative scene, including Nicholas Hytner, the CEO of the theatre company behind the Bridge Theatre, believed that a "hard" version of Brexit — which put an end to Britain's participation in the free movement of people within the European Union — would be disastrous for the sector.

Around 6.7 per cent of those who work in Britain's creative sector are nationals of other European Union states, according to a government sectoral analysis published last year. "Theatre producers in the U.K. have taken full advantage of the free movement of people principle to access and retain the best international talent for productions. Indeed, free movement has been hailed as being crucial to London's success in becoming a cultural hub for the arts globally," says Pryor.

Britain's arrangements for freedom of movement with the EU beyond the transition period (which runs till the end of 2020) remain unclear. In fact, the government's sectoral analysis faced much criticism from within the industry for merely outlining the *status quo* rather than analysing what the future was likely to hold for the industry. However, there are fears that should Britain bring in restrictions of the



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

kind that apply to non-EU citizens, the theatre world, where funding is limited and salaries aren't the highest, could be badly impacted.

When it comes to the National Health Service (NHS), for example, hospital trusts have encountered difficulties in recruiting staff from outside the EU because of minimum salary thresholds, and there are concerns that such limitations could extend in the future to nationals of EU countries.

Beyond providing a ready pool of talent, funding from the EU has been vital to the success of the industry, including initiatives such as the EU's €1.3 billion Creative Europe programme. Last year, the European Commission said that British cities could no longer compete to become a European capital of culture for 2023, seen as important for the development of local art and theatre scenes, as well as tourism and regeneration more widely. There have already been fears about Britain's disengagement with the wider global theatre scene — not least its non-participation in World Theatre Day, having closed its International Theatre Centre in 2011. The pressures come at a time of increased competition for global audience.

A recent study by the public body, the Theatres Trust, warned that 35 theatres across the country were at risk of closure. "We are a creative nation but other countries are also putting their hands up. Berlin is a huge creative centre, you've got competition from Paris, Brooklyn... we are in danger of looking like we are devalued from a creative point of view," says Pryor.

Passage 2: Arts Council releases report on state of English theatre

Adapted from The Guardian, October 20, 2016, by Lyn Gardener

[Arts Council England](#) (ACE)'s new theatre report, [published this morning](#), offers a snapshot of the current state of production across the country, particularly in light of the changes that have taken place over the past 15 years. The Arts Council has also published a response that includes some interesting proposals, including changes to support touring, the creation of three regional hubs, and new leadership and workforce development programmes to increase [skills and diversity](#), particularly at senior levels.

The report probably doesn't tell us a great deal that we didn't already know – such as that London dominates, accounting for 47% of all theatre performances in England in 2014; that local authority funding has fallen by 50% in the years leading up to 2014-15; that theatre audiences and workforces both lack diversity of all kinds, and that a small number of hit shows – often musicals – accounted for a large proportion of box office income, with 36 out of 1,864 accounting for 56% of box office income.

Yet even when the report appears to say the obvious, it's useful to be reminded of the state of play. Particularly that there is a direct connection between supply and demand. Lots of people go to the theatre in London because there are lots of theatres and shows on offer, which are easily accessible in terms of transport links. Underserved parts of the country have seen a drop in attendances, sometimes dramatically, in recent years.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

There are fascinating findings on unearned income, including philanthropy. Large organisations with 50 or more permanent staff generate 78% of all unearned income, while those with fewer than 10 staff generate just 1% of all unearned income. We've always known the arts are not a level playing field, and that the rich get richer, but these stats point to the fact that the more market-driven theatre becomes, the more that benefits the bigger, better-funded organisations, which are often based in London or big cities. The report also raises interesting questions about what happens to [core values](#) as theatres in the subsidised sector look to other funding sources, and become more entrepreneurial and reliant on philanthropy. Does it change the sort of work they make, and the level of risk they are willing to countenance? It makes me wonder what it will be, in the future, that really distinguishes these theatres from the commercial sector.

The report does not give nearly enough attention to the independent sector, and the increasing impossibility of sustaining a career as a theatre-maker beyond one's 20s. But it does identify some key trends and knotty problems. One is the crisis in touring because of the stagnation in fees earned, and the way that venues have shifted risk [away from themselves and on to companies](#). ACE has said it will explore a long overdue guarantee-against-loss scheme, and look at ways that [Grants for the Arts](#) could be used to respond to demand for additional performances, particularly on the small scale.

Passage 3: TGR Arts Sales Report

Source: <https://uktheatre.org/theatre-industry/guidance-reports-and-resources/sales-data-reports/>

British Theatre has, for several years, espoused diversity in the arts, leading to several established genres. These include musicals, pantomimes, opera, dances, family theatre, plays, concerts and more. British production and viewership spans these genres, even though the composition of the arts has changed over time.

In November, 2017, TRG Arts published a Sales Report for the British Theatre. The report highlights the contribution made by every genre to the total box office income, and also tracks trends of individual genres.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

INDIAN SCHOOL OF BUSINESS & FINANCE

Productions across genres are performed at auditoriums of various sizes, and to varying degrees of success. The report also tracks income trends across different units including solely presenting units with different seating capacities, production houses and even concert halls. An intra-sectoral analysis is accompanied by an inter-temporal one to provide context. Sales is a clear function of the ticket prices, reflective of the potential demand for different genres of theatre. The report, thus, leads to useful insights for anyone working in theatre.

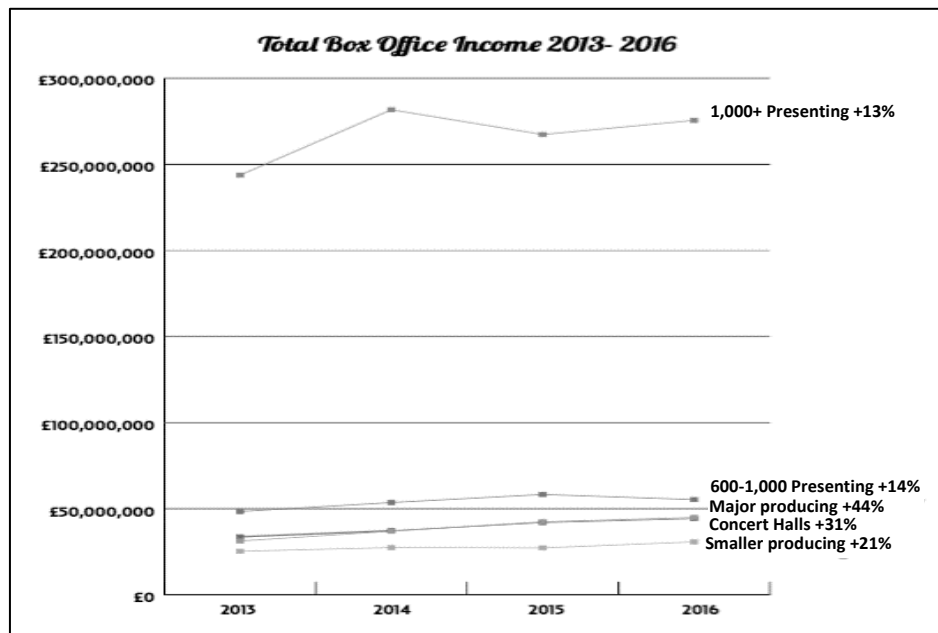


Figure 1: Total Box Office Income for 2013-2016, by presentation venue

INDIAN SCHOOL OF BUSINESS & FINANCE

Figure 2: Total Box Office Income for 2016, by presentation venue

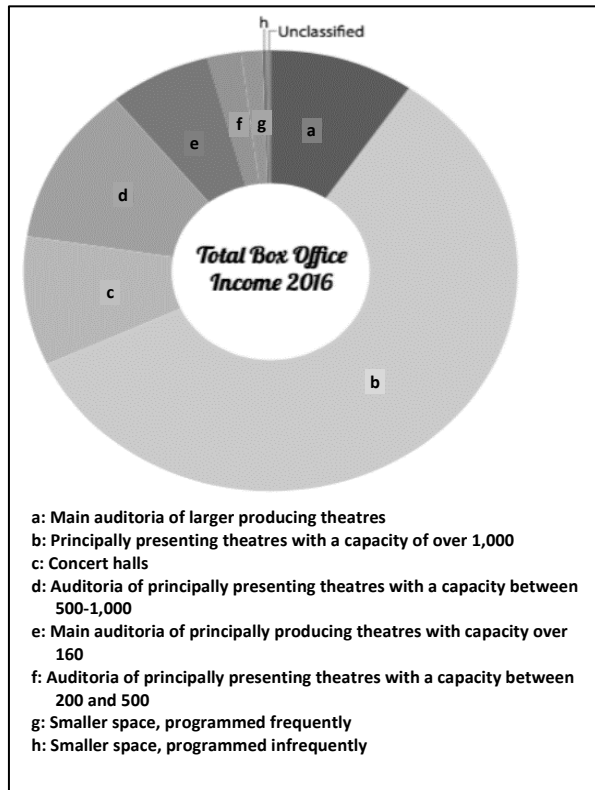


Figure 3: Total Box Office Income for 2016, by genre

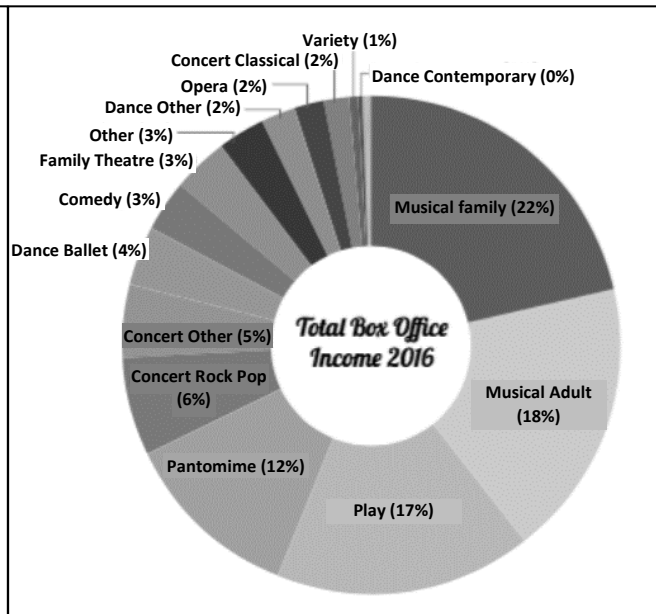
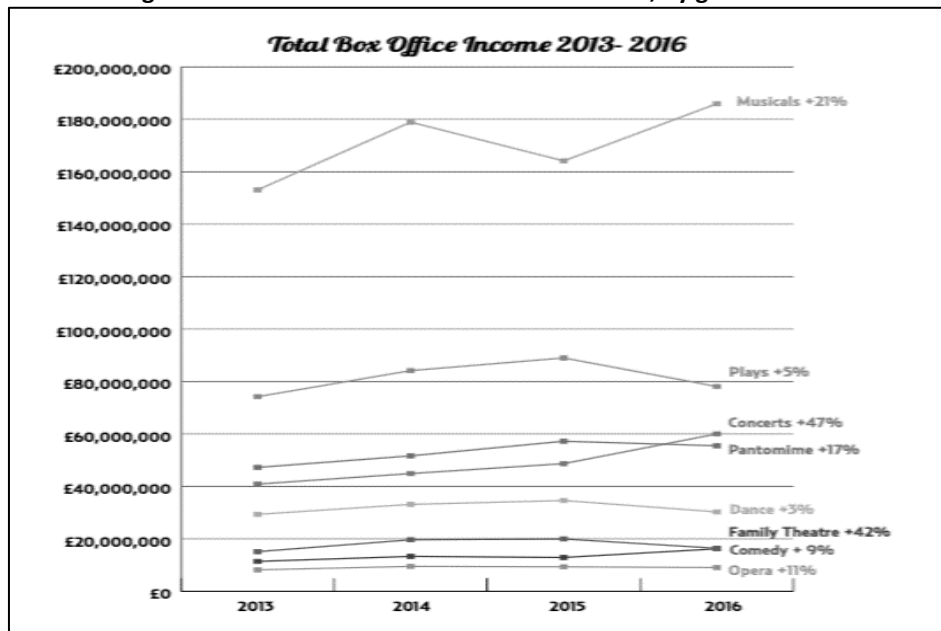


Figure 4: Total Box Office Income for 2013-2016, by genre





Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

43. Which of the following statement(s) about theatre in London is/ are true?

Statement I: Gregor Pryor is confident of the success of theatre in London, as opposed to its appeal in other smaller cities.

Statement II: Scarce and pricey real estate in Central London could have been one of the reasons behind the lack of new theatres in Central London in recent decades.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

44. Based on your reading of the passages, which of the following statement(s) is/are true?

Statement I: In 2014-15, musicals formed a large component of the box office income of theatres, much like in 2016.

Statement II: Increased box office income from musicals is evidence of the shift in preferences towards new forms of theatre.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

45. Based on your reading of the passages, which of the following statement(s) is/are true?

Statement I: ACE's theatre report points towards the narrowing difference between small arthouse productions and commercial work, especially on account of unearned income.

Statement II: Ventures like Tara Art and Bridge Theatre are adding to the diversity of the theatre scene in London.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

46. Based on your reading of the passages, which of the following statement(s) is/are true?

Statement I: 36 popular musicals contributed 56% of the box office income in a recent year.

Statement II: The sustainability of a theatre is, to a degree, linked with its ability to cater to demand for mainstream theatre productions such as musicals.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

47. Which of the following statements speaks to the views of any or all of the authors of the above passages?



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

Statement I: Through its effect on the exchange rate, the Brexit referendum seems to have played a part in increasing theatre viewership in Britain in the recent past.

Statement II: As Brexit takes formal shape, it is likely to lead to greater demand for theatre productions from Londoners, which can make up for any loss in viewership among other European nationals.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

48. Based on your reading of the passages, which of the following statement(s) is/are true?

Statement I: According to the TGR Arts Sales Report data, pantomimes earned approximately £50 million in 2016.

Statement II: Of all presentation venues, the box office income of major producing theatres increased by the largest amount between 2013 and 2016.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

49. Which of these would count among the threats faced by independent theatre in Britain, according to the authors of the passages?

- I. Unsustainability of a theatre-making career, due to stagnation of earnings
- II. Inadequate access to the pie of philanthropic funding
- III. Insufficient funding from local authorities
- IV. Lack of proper transport links to theatre locations outside London

- a. I and II only
- b. III and IV only
- c. I, II and III only
- d. I, II, III and IV

50. Which of the following comes closest to summarizing the author's views about the ACE report?

- a. As it points out the rampant inequality in a presumably fair sector, the ACE report is a game changer.
- b. The report does a good job with regard to addressing the uncertainties arising from events like Brexit.
- c. The report's reiteration of the status quo, supported by evidence, is useful, but there are clear shortcomings too.
- d. The report does not address the independent theatre sector adequately, and this makes it a let-down.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

51. Based on your reading of the passages, which of the following statement(s) is/are true?
Statement I: In 2017, Premier League football tickets for matches in London would have generated revenues of about £350 million.
Statement II: One in every sixteen people working in the creative sector in Britain was a national of another European Union country.
- I only
 - II only
 - Both I and II
 - Neither I nor II
52. Based on your reading of the passages, which of the following statement(s) is/are true?
Statement I: At 47%, the growth of box office income for Concerts between 2015 and 2016 was higher than that for any other genre in Britain.
Statement II: If one were to construct pie charts for 2013, 2014 and 2015, showing the distribution of total box office income by theatre genre, they would not look very different from each other.
- I only
 - II only
 - Both I and II
 - Neither I nor II
53. Based on your reading of the passages, which of the following statement(s) is/are true?
Statement I: Principally presenting theatres with a capacity of over 1,000 can be inferred to have the highest ticket price among different presentation venues in Britain.
Statement II: Musicals can be inferred to have the highest ticket price among different theatre genres in Britain.
- I only
 - II only
 - Both I and II
 - Neither I nor II
54. For which one the following theatre genres did the share in total box office income change the most between 2014 and 2015?
- Opera
 - Comedy
 - Family Theatre
 - Concerts
55. Which of the following, if true, would most weaken the author's argument about inequality in theatre on the grounds of unearned income?
- 95% of the total theatres in Britain employ less than 10 permanent staff members.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

- b. 95% of the total box office income in Britain is generated by theatres employing more than 50 permanent staff members.
 - c. Unearned income makes up only 10% of total income for theaters employing less than 10 permanent staff members.
 - d. All theatres that employ less than 10 staff members produce Family Theatre.
56. Which of the following statements is most likely to be true in the context of your reading of the above passages?
- a. Despite recent highs in ticket sales and revenue, British theatre faces several challenges, not least from the inequality within the industry.
 - b. The close clustering of most genre types and presentation venues in the lower halves of Figures 4 and 1 respectively point to the equal nature of British theatre.
 - c. Brexit is likely to impact only the demand for theatre (i.e. viewership), but not its supply (i.e. production).
 - d. Musicals, plays and pantomimes accounted for a similar share of total 2016 box office income as did Principally presenting theatres with a capacity of over 1,000.
57. Which of the following statements is Lyn Gardener most likely to agree with?
- a. Theatre groups in Bristol, Manchester and other English cities are fast discovering their own identities, and thus British theatres are likely to become more diverse.
 - b. With cities like Berlin and Paris being recognized as centers of art, British theatre might become too similar to the theatre in these cities.
 - c. As a result of more entrepreneurial leaders, theatre in England is bound to boom.
 - d. As a result of increasing commercialization, theatre is likely to find it difficult to maintain its unique position and appeal.
58. Which of the following statement(s) is/are true, if growth is measured between 2013 and 2016?
- Statement I: The fastest growing theatre presentation venue contributed more to 2016 box office income than the fastest growing theatre genre did.
- Statement II: The slowest growing theatre presentation venue contributed nearly ten times as much to 2016 box office income as the slowest growing theatre genre did.
- a. I only
 - b. II only
 - c. Both I and II
 - d. Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

Read the passage below, and answer Questions 59-65.

How Indian parents failed to teach right financial planning to their children

Adapted from Economic Times, January 17, 2018, by Anuvab Pal

Having a financial plan is, perhaps, one virtue that can neutralize the impact of various financial sins. A plan acts as a guide through your financial journey and, even if domestic and global upheavals dent your investments, it will help you get back on track. At the macro level, planning affects every aspect of personal finance, be it taxation, insurance or achievement of goals.

Most people are so intent on investing and building assets that they forget to cover their risks. Since it is crucial to secure your family and finances by creating an adequate insurance portfolio, this is the second constant that does not change with time. A majority of the people buys insurance to save tax and as an investment, with life insurance the second most favoured investment destination after fixed deposits, accounting for 25% of the wealth of small investors.

The next thing to bear in mind is that much like death, taxes will never go away. While rules and slabs may change from time to time, taxation itself won't. In fact, it affects every aspect of your finances, from income and allowances to investments as well as the assets you buy or sell. So, stop ignoring or pushing it away. Look at it as a way of reducing your losses and increasing your gains. Take the help of a planner or tax professional if you need, but start on time. Split it into three sections—tax saving investments (deductions/exemptions), tax payment and filing of returns. Make a calendar for each because procrastinating will not only result in confusion, but also losses and penalties. Plan your tax-saving investments at the beginning of the financial year by calculating how to maximize exemptions and deductions.

Creating a plan and building a portfolio may go to waste if you do not monitor it periodically. A review is essential to mark the progress towards your goals and take corrective measures, if required. As critical as a medical check-up, you should monitor the investments on a quarterly basis for short-term goals, and annually for long-term goals. The more things change, the more this rule holds. Financial knowledge and caution can translate into higher gains and fewer losses for you in any market condition.

Despite these basic principles governing financial planning decisions, the young generation tends to differ with the judgment of their parents regarding their approach towards financial planning and managing asset accumulation over time.

"I told my son to get married by 30, buy gold, a house, a car, set up fixed deposits, get a job with a prestigious global company in finance, engineering, medicine, something permanent, and you will have a happy life," said an older gentleman to me on a recent flight. He, like all Indian men of a certain age, seemed confident that this was good, stable economics. All his son would have to do was follow this man's simple steps to gain stable financial bliss. "My son doesn't agree. He's doing some 'creative' job, not a real multinational job, saying he needs time to discover who he is. All that is rubbish," said the gent, irritated.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

I didn't have the courage to tell him that in 2017, creative jobs were more real than MNC jobs because they were based on a skill that would most likely outlast the multinational. I also didn't tell him that in 2017, discovering oneself could be huge income. There were people making YouTube videos sitting in their bedrooms talking about their private life and making more than an engineer, banker or doctor would ever make. And I certainly didn't have the gumption to tell him that everything Indian parents had taught their children about financial planning was wrong. It wasn't their fault. They followed the rules — stable assets, stable companies, low risk, bricks and mortar — till all those things became bad things that actually diminish careers.

People in India over 50 years of age are products of a very socialist system, hugely mistrusting capital markets. Which is why mutual fund ownership is so low and every time the markets tank, they sell all their stocks. They think if they join a big company, their salary is sorted for life. They forget that today, a big company can disappear overnight. As Mukesh Ambani mentioned in a recent speech, "Data is the new oil." He should know, he owns a lot of data and oil.

Then there's property. Sure, there was a time when land meant wealth, and that'll probably last another 100 years. But today's young, living in a shared economy, can't fathom the idea of having an asset that's complicated to sell — or, heaven forbid, paying off an EMI.

As a 30-something explained, "My parents say keep buying a house. But what if I want to go live in Barcelona for a few years? I don't know want to tie up all my money in a 2BHK dealing with irritating tenants or leakages. They also say gold. This is digital India, not Ali Baba and the 40 Thieves!"

It is also how they think about car buying in this age of shared taxi apps, and about having a full-time cook in the age of food delivery apps, and really about every other life choice including finding love forever in the age of dating apps. Essentially, about commitment. And it fits into the world they grew up in. Nobody works for 20 years anywhere, or gets a flat from their company. And one's job could become obsolete because of an app or a robot or demonetization or outsourcing, no matter how hard one works.

A 50-year-old senior executive at a bank told me, "When I got my first bonus, I saved it. The first thing I saw a young 30-year-old employee at the bank do with his first bonus was resign, buy a first-class ticket for a five star hotel vacation. I asked him, 'Shouldn't you be saving that?' He said, 'What for?' I said, 'The future.' He said, 'The future is later.' That's how they think."

The older man on my flight had clearly no idea of all this. "Choose a good public sector bank, put away your capital at 8% and forget about it. That's all you need in India," he said confidently. The tragedy was that it was only a matter of time before India would forget about his capital also.



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

59. Which among the following most aptly describes the author's likely purpose behind writing the passage?
- To sermonize to today's young generation about how to manage their finances
 - To contextualize the paradigm of financial planning in rapidly changing times
 - To admonish those over 50 years of age in India for their conservative and anachronistic approach to financial decision-making
 - To outline the key principles of sound financial planning in today's world
60. Which among the following most accurately describes the tone and writing style of the passage?
- Direct and tongue-in-cheek tone; opinionated writing with illustrations
 - Serious and formal tone; instructional writing
 - Practical and casual tone; case-based writing
 - Sardonic tone; acerbic writing
61. Based on your reading of the passage, which of these age groups is the author most likely to belong to?
- Over 50 years of age
 - Early 30s
 - 40-something years old
 - Early 20s
62. Based on your reading of the passage, which of the following statements is the author likely to agree with?
- Statement I: The traditional principles of financial planning have lost relevance and context in today's fast-changing world.
- Statement II: It is therefore best for the young generation to have a fluid financial strategy which can be concretised as one grows older.
- I only
 - II only
 - Both I and II
 - Neither I nor II
63. Based on your reading of the passage, which of the following statements is the author likely to agree with?
- Statement I: Compared to the current 50+ year-olds, the young generation has a higher propensity to spend.
- Statement II: Compared to the current 50+ year-olds, the young generation seems to have higher appetite for risk, and therefore more potential upside to be gained.
- I only
 - II only
 - Both I and II
 - Neither I nor II



Awarding Body



UNIVERSITY
OF LONDON

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

64. Why do you think the author makes a reference to the quote “Data is the new oil”, from Mukesh Ambani’s recent speech?

- a. As an illustration of the fast pace of change in today’s world
- b. As an illustration of the pointlessness of financial planning in today’s world
- c. As an illustration of the young generation’s commitment phobia
- d. As an illustration of changing geopolitical relations in today’s world

65. Based on your reading of the passage, which of the following statements would you agree with?

Statement I: Financial planning, covering risks, accounting for taxes and reviewing investments periodically have traditionally been the *mantra* for financial success.

Statement II: The author outlines the new *mantra* for financial success for the young generation in the latter half of the passage.

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

END OF PAPER



Awarding Body



**UNIVERSITY
OF LONDON**

Academic Direction



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

INDIAN SCHOOL OF BUSINESS & FINANCE

ANSWER KEY TO SAMPLE QUESTION PAPER

Section A				Section B			
Question	Answer	Question	Answer	Question	Answer	Question	Answer
1	b	17	d	32	b	49	d
2	c	18	a	33	d	50	c
3	b	19	d	34	b	51	b
4	d	20	a	35	d	52	b
5	d	21	b	36	a	53	c
6	a	22	a	37	c	54	d
7	b	23	a	38	a	55	c
8	b	24	b	39	c	56	a
9	b	25	b	40	a	57	d
10	c	26	c	41	c	58	b
11	a	27	a	42	d	59	b
12	d	28	a	43	b	60	a
13	c	29	c	44	a	61	c
14	b	30	b	45	b	62	a
15	D	31	d	46	b	63	c
16	b			47	a	64	a
				48	a	65	a