

# Class 12 CBSE Business Studies

## Model Question Paper

### (Set 1)

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#### Section A – MCQs (1×20 = 20 Marks)

1. Which function of management ensures that actual performance matches planned performance?
  - a) Planning
  - b) Controlling
  - c) Staffing
  - d) Directing
2. Identify the first step in the planning process.
  - a) Setting Objectives
  - b) Identifying Alternatives
  - c) Implementing Plan
  - d) Evaluating Performance
3. Which of the following is a feature of coordination?
  - a) It is a separate function
  - b) It ensures unity of action
  - c) It increases conflicts
  - d) It is optional
4. Span of management refers to:
  - a) Number of levels
  - b) Number of subordinates under one manager
  - c) Delegation process
  - d) Authority distribution
5. Recruitment is a part of:
  - a) Planning
  - b) Staffing
  - c) Organising
  - d) Controlling
6. Motivation is related to which function?
  - a) Directing
  - b) Organising

- c) Planning
  - d) Controlling
7. Financial management aims at:
- a) Profit maximisation
  - b) Wealth maximisation
  - c) Sales maximisation
  - d) Cost reduction
8. Dividend decision relates to:
- a) Investment
  - b) Financing
  - c) Distribution of profits
  - d) Budgeting
9. Marketing mix consists of how many elements?
- a) 3
  - b) 4
  - c) 5
  - d) 7
10. Advertisement is a part of:
- a) Product
  - b) Promotion
  - c) Price
  - d) Place
11. Selection is a \_\_\_\_\_ process.
- a) Positive
  - b) Negative
  - c) Neutral
  - d) Informal
12. Which of the following is a financial incentive?
- a) Status
  - b) Job Security
  - c) Bonus
  - d) Recognition
13. The element of directing which ensures that employees perform their duties as per expectations is:
- a) Motivation
  - b) Supervision

- c) Communication
  - d) Leadership
14. The process of influencing people to strive willingly towards organisational goals is known as:
- a) Supervision
  - b) Communication
  - c) Leadership
  - d) Controlling
15. Which of the following is a barrier to effective communication?
- a) Feedback
  - b) Clarification
  - c) Semantic Problems
  - d) Cooperation
16. Investment decision is concerned with:
- a) Procurement of funds
  - b) Distribution of profits
  - c) Selection of assets in which funds will be invested
  - d) Issuing shares
17. Trading in existing securities takes place in:
- a) Primary Market
  - b) Secondary Market
  - c) Money Market
  - d) Both (a) and (b)
18. Which of the following is a short-term source of finance?
- a) Equity Shares
  - b) Debentures
  - c) Public Deposits
  - d) Retained Earnings
19. Packaging is related to which element of marketing mix?
- a) Price
  - b) Promotion
  - c) Product
  - d) Place
20. Which of the following is not a function of marketing?
- a) Product Designing
  - b) Standardisation
  - c) Staffing
  - d) Branding

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**Section B – Short Answer I (3×6 = 18 Marks)**

21. State any three limitations of Planning.
  22. Explain the concept of Delegation.
  23. State any three objectives of Financial Planning.
  24. Differentiate between Authority and Responsibility (any three points).
  25. Explain any three functions of Stock Exchange.
  26. State any three elements of Promotion Mix.
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**Section C – Short Answer II (4×5 = 20 Marks)**

27. Explain steps in the process of Organising.
  28. Describe Maslow's Need Hierarchy Theory.
  29. Explain any four factors affecting Capital Structure.
  30. Explain four rights of consumers under Consumer Protection Act.
  31. Distinguish between Primary and Secondary Market.
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**Section D – Long Answer (6×4 = 24 Marks)**

32. Explain the importance of Planning with suitable examples.  
OR  
Explain the process of Controlling.
  33. Explain the steps in Staffing process.  
OR  
Explain leadership styles.
  34. Explain the functions of Marketing.  
OR  
Explain the process of Consumer Redressal.
  35. Explain any six factors affecting Working Capital requirements.  
OR  
Explain Financial Planning and its objectives.
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**Section E – Case Study (6×3 = 18 Marks)**

36. Case Study from Planning / Directing (with internal questions).

37. Case Study from Financial Management.

38. Case Study from Marketing Management / Consumer Protection.