

# Class 12 CBSE Business Studies

## Model Question Paper – (Set 2)

**Time: 3 Hours**

**Maximum Marks: 80**

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

1. A plan which is designed to achieve a particular objective is known as:
  - a) Strategy
  - b) Objective
  - c) Procedure
  - d) Budget
2. Which principle states that there should be one head and one plan for a group of activities?
  - a) Unity of Command
  - b) Unity of Direction
  - c) Scalar Chain
  - d) Equity
3. The process of arranging tasks into a logical sequence is:
  - a) Planning
  - b) Staffing
  - c) Organising
  - d) Directing
4. Training given to employees to improve current performance is called:
  - a) Education
  - b) Development
  - c) Induction
  - d) Training
5. Motivation acts as:
  - a) Stimulus
  - b) Barrier
  - c) Control
  - d) Policy

6. Financial planning aims at:
  - a) Overcapitalisation
  - b) Underutilisation
  - c) Optimum utilisation of funds
  - d) Avoiding profits
7. Debentures are:
  - a) Ownership capital
  - b) Borrowed capital
  - c) Retained earnings
  - d) Reserve capital
8. Which of the following is a feature of Capital Market?
  - a) Short-term funds
  - b) Long-term funds
  - c) No regulation
  - d) Only banks involved
9. Which element of marketing mix determines revenue?
  - a) Product
  - b) Price
  - c) Place
  - d) Promotion
10. The Right to Seek Redressal is available under:
  - a) Consumer Protection
  - b) SEBI Act
  - c) Companies Act
  - d) Banking Act
11. Selection is a \_\_\_\_\_ process.
  - a) Positive
  - b) Negative
  - c) Neutral
  - d) Informal
12. Which of the following is a non-financial incentive?
  - a) Bonus
  - b) Commission
  - c) Job Security
  - d) Profit Sharing

13. The chain of superiors from top to bottom is called:
- a) Span of Control
  - b) Scalar Chain
  - c) Authority
  - d) Responsibility
14. Which of the following is a method of on-the-job training?
- a) Vestibule Training
  - b) Apprenticeship
  - c) Internship
  - d) Classroom Method
15. A market where new securities are issued for the first time is:
- a) Secondary Market
  - b) Capital Market
  - c) Primary Market
  - d) Money Market
16. Dividend decision affects:
- a) Liquidity
  - b) Capital structure
  - c) Retained earnings
  - d) Fixed assets
17. Branding helps in:
- a) Identification
  - b) Increasing cost
  - c) Reducing sales
  - d) Eliminating competition
18. Advertisement is suitable for:
- a) Personal selling
  - b) Mass communication
  - c) Individual persuasion
  - d) Complaint handling
19. The process of comparing actual performance with standards is:
- a) Planning
  - b) Controlling
  - c) Directing
  - d) Staffing
20. Which of the following is not a function of SEBI?
- a) Regulating stock exchanges

- b) Protecting investors
  - c) Issuing shares
  - d) Preventing malpractices
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**Section B – Short Answer I (3 × 6 = 18 Marks)**

- 21. State any three limitations of Planning.
  - 22. Explain any three principles of Scientific Management.
  - 23. State any three objectives of Financial Management.
  - 24. Differentiate between Authority and Accountability (any three points).
  - 25. Explain any three functions of Stock Exchange.
  - 26. State any three rights of consumers.
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**Section C – Short Answer II (4 × 5 = 20 Marks)**

- 27. Explain the steps in Organising process.
  - 28. Describe Maslow's Need Hierarchy Theory.
  - 29. Explain any four factors affecting Capital Structure.
  - 30. Explain four functions of Marketing.
  - 31. Distinguish between Formal and Informal Organisation.
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**Section D – Long Answer (6 × 4 = 24 Marks)**

- 32. Explain the importance of Planning.  
OR  
Explain the process of Controlling.
- 33. Explain the Staffing process.  
OR  
Explain Leadership styles.
- 34. Explain the elements of Promotion Mix.  
OR  
Explain the factors affecting Pricing Decisions.

35. Explain any six factors affecting Working Capital.

OR

Explain Financial Planning and its objectives.

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**Section E – Case Study (6 × 3 = 18 Marks)**

36. Case Study on Planning/Directing with internal questions.

37. Case Study on Financial Management.

38. Case Study on Consumer Protection/Marketing.