

Class 12 CBSE Business Studies

Model Question Paper – (Set- 7)

Time: 3 Hours

Maximum Marks: 80

Section A – MCQs (1 × 20 = 20 Marks)

1. Planning is pervasive because it:
 - a) Is done at top level only
 - b) Is required at all levels of management
 - c) Eliminates uncertainty
 - d) Is optional
2. 'Harmony, not Discord' is a principle of:
 - a) Fayol
 - b) Taylor
 - c) Mayo
 - d) Drucker
3. The element of delegation which cannot be delegated is:
 - a) Authority
 - b) Responsibility
 - c) Accountability
 - d) Power
4. Centralisation implies:
 - a) Delegation at lower levels
 - b) Retention of authority at top level
 - c) Equal authority at all levels
 - d) Informal authority
5. Which decision affects the size of assets held by a firm?
 - a) Financing decision
 - b) Dividend decision
 - c) Investment decision
 - d) Staffing decision
6. A company with high debt-equity ratio has:
 - a) Low financial risk

- b) High financial risk
 - c) No fixed obligation
 - d) High liquidity
7. Call Money is part of:
- a) Capital Market
 - b) Money Market
 - c) Foreign Market
 - d) Primary Market
8. Cost-plus pricing is based on:
- a) Demand
 - b) Competition
 - c) Cost
 - d) Brand value
9. Which right allows consumers to form associations?
- a) Right to Choose
 - b) Right to be Heard
 - c) Right to Safety
 - d) Right to Consumer Education
10. The last step in controlling process is:
- a) Setting standards
 - b) Measurement
 - c) Corrective action
 - d) Evaluation
11. The process of identifying and attracting job seekers is:
- a) Selection
 - b) Recruitment
 - c) Training
 - d) Placement
12. Off-the-job training includes:
- a) Apprenticeship
 - b) Coaching
 - c) Vestibule training
 - d) Job rotation
13. The principle that avoids dual command is:
- a) Unity of Direction
 - b) Unity of Command

- c) Equity
- d) Order

14. Financial planning ensures:

- a) Overcapitalisation
- b) Adequate funds
- c) Excess borrowing
- d) Minimum profit

15. A market for existing securities provides:

- a) Capital formation
- b) Liquidity
- c) New issue facility
- d) Long-term loans

16. Public relations aims at:

- a) Immediate sales
- b) Building company image
- c) Personal persuasion
- d) Giving discounts

17. Consumer complaint within ₹50 lakh lies with:

- a) District Commission
- b) State Commission
- c) National Commission
- d) Supreme Court

18. Informal organisation helps in:

- a) Slowing communication
- b) Quick transmission of information
- c) Increasing paperwork
- d) Removing authority

19. Working capital requirement decreases when:

- a) Credit sales increase
- b) Production cycle lengthens
- c) Inventory turnover increases
- d) Raw material stock increases

20. The psychological state that drives a person to work is:

- a) Supervision
- b) Motivation
- c) Communication
- d) Planning

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

21. Explain any three features of Planning with examples.
22. State any three principles of Scientific Management with examples.
23. Explain any three objectives of Financial Management.
24. Differentiate between Authority and Responsibility (any three points).
25. Explain any three functions of SEBI.
26. State any three tools of Promotion Mix.

Section C – Short Answer II (4 × 5 = 20 Marks)

27. Explain steps in Planning process.
28. Describe Herzberg's Two-Factor Theory with diagram explanation.
29. Explain any four factors affecting Capital Structure.
30. Explain four rights of consumers with examples.
31. Distinguish between Centralisation and Decentralisation.

Section D – Long Answer (6 × 4 = 24 Marks)

32. Explain importance of Organising with suitable examples.
OR
Explain process of Delegation with diagram.
 33. Explain Staffing process with importance.
OR
Explain barriers to communication and measures to overcome them.
 34. Explain Marketing Mix (4Ps) in detail with practical examples.
OR
Explain factors affecting Pricing Decisions.
 35. Explain any six factors affecting Working Capital requirement with examples.
OR
Explain Financial Planning and its importance.
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Section E – Case Study (6 × 3 = 18 Marks – Analytical + Value Based)

36. Case Study on Planning & Controlling (Deviation + Corrective Action Based).
37. Case Study on Capital Structure (Debt-Equity Concept + Risk Analysis).
38. Case Study on Consumer Protection & Ethical Marketing (Value Based Question Included).