

**MOST**

**IMPORTANT  
QUESTIONS**



**CBSE**  
**Class XII Business Studies**  
**Most Important Questions**

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**Chapter 1: Nature and Significance of Management**

***Topic 1: Introductory Concepts of Management***

1. What is meant by efficiency in management? [1]
2. Explain any 5 features of management? [5]
3. Explain five reasons which clarify- the management is gaining importance day by day. [5]
4. What is meant by effectiveness in management? [1]
5. List any two organisational and social objectives of management. [4]

***Topic 2: Nature, Levels & Functions of Management***

6. At which level of management directing takes place. [1]
7. Art is concerned with personal application of knowledge. In the light of this statement, explain the true nature of management. [3]

***Topic 3: Coordination- The Essence of Management***

8. Explain any five characteristics of coordination. [5]

**Chapter 2: Principles of Management**

***Topic 1: Introduction to Principles of Management***

9. Name the principle of scientific management which suggests the introduction of scientific investigation and analysis. [1]
10. Explain any five features of principles of management. [5]

***Topic 2: Taylor's Scientific Management***

11. Which technique of Taylor is the extension of the principle of division of work and specialisation? [1]
12. With the help of diagram explain functional foremanship as a technique of scientific management. [3]

13. Which technique of Taylor acts as the strongest motivator for a worker to reach standard performance? [1]

14. State the role of 'gang boss' in functional foremanship. [1]

***Topic 3: Fayol's Principles of Management***

15. Explain the following principles of Fayol with example: [3]  
a. Discipline b. Unity of command c. Scalar chain

**Chapter 3: Business Environment**

***Topic 1: Introduction to Business Environment***

16. State any five features of business environment. [5]

17. What is meant by 'Privatisation'? [1]

***Topic 2: Economic Environment in India***

18. What is the significance of understanding environment in shaping the future of business? [3]

19. Explain the impacts of government policy changes on business and industry in India. [5]

**Chapter 4: Planning**

***Topic 1: Introduction to Planning***

20. Explain the following features of planning: [4]  
a. Planning is continuous  
b. Planning is futuristic

21. Explain any three points of importance of planning. [3]

***Topic 2: Planning Process and Types of Plans***

22. Explain the following types of plans- [4]  
a. Objective  
b. Process

23. Explain the steps involved in the process of planning. [5]

**Chapter 5: Organising**

***Topic 1: Introduction to Organising***

24. Explain any 4 points of importance of organising. [4]

***Topic 2: Organisation Structure***

25. Name the type of 'organisational structure' which promotes efficiency in utilisation of manpower. [1]
26. What is meant by divisional structure of an organisation? State its any two disadvantages. [3]

***Topic 3: Formal Organisation and Informal Organisation***

27. Give the meaning of 'Informal Organisation' and state any five features of it. [6]
28. Distinguish between formal and informal organisation on the basis of  
a. Meaning. b. Origin c. Authority d. Flow of communication [4]

***Topic 4: Delegation and Decentralisation***

29. Give the meaning of essential elements of 'Delegation' [1]
30. Give the meaning of 'authority' as an element of delegation. [1]
31. What is meant by decentralisation? Explain any 4 points of which highlight the importance of decentralisation in an organisation. [5]

**Chapter 6: Staffing**

***Topic 1: Introduction to Staffing and its Process***

32. Define staffing as a function of management and state its importance. [3]
33. How does staffing help to ensure higher performance of employees. [3]
34. Explain the various steps involved in the process of staffing. [5]

***Topic 2: Recruitment and its Sources***

35. Internal sources of recruitment are better than external sources of recruitment. How? [4]

***Topic 3: Selection, Training and Development***

36. How is training of employees beneficial for the organisation? State any four reasons. [5]
37. Define training and development. [3]

**Chapter 7: Directing**

***Topic 1: Concepts of Directing and Supervision***

38. Directing is the heart of management process. Do you agree? Give reasons. [3]
39. Explain the meaning and characteristics of directing. [6]

**Topic 2: Motivation**

40. What is meant by 'Motivation'? [1]

41. Explain any 4 non-financial incentives that can be used to motivate employees. [4]

**Topic 3: Leadership**

42. What is meant by 'Democratic style of leadership'? [1]

**Topic 4: Communication**

43. Explain any four psychological barriers to effective communication. [4]

44. What do you mean by grapevine? [1]

**Chapter 8: Controlling**

**Topic 1: Introduction to Controlling**

45. Explain any 4 points that highlight the importance of controlling. [4]

46. Explain how controlling helps in: [3]

- a. Accomplishing organisational goals
- b. Judging accuracy of standards

**Topic 2: Controlling Process**

47. After setting the performance standards the next step in the controlling process is the 'measurement of actual performance'. Explain this step in the process of controlling. [3]

**Chapter 9: Financial Management**

**Topic 1: Financial Management and Financial Decisions**

48. Explain any four factors which affect the 'Dividend Decision' of a company. [4]

49. Determining the relative proportion of various types of funds depends upon various factors. Explain any 5 factors. [5]

50. Explain the following as factors affecting financing decision: [5]

- a. Cost b. Cash flow position of business c. Level of fixed operating cost D. Control considerations

**Topic 2: Financial Planning**

51. What is meant by financial planning? State any three points of its importance. [4]

**Topic 3: Capital Structure**

52. How do 'Floatation costs' affect the choice of capital structure of a company? State. [3]

53. Explain the impact of stock market conditions and regulatory framework on the capital structure of a company. [4]

***Topic 4: Fixed & Working Capital***

54. Explain any four factors which affect the working capital requirement of a company. [4]

**Chapter 10: Financial Markets**

***Topic 1: Concept of Financial Markets and Money Market***

55. Explain the following money market instruments- Treasury bill and commercial paper [4]

***Topic 2: Capital Market: Primary and Secondary Market***

56. State the essential function of a 'primary market'. [1]

57. State any four methods of floatation of new issues in the primary market. [2]

58. Distinguish between Capital Market and Money Market on the basis of the following:  
a. Participants [3]  
b. Instruments

***Topic 3: Trading Procedure on Stock Exchange & SEBI***

59. State any three 'Development Functions' of Securities and Exchange Board of India (SEBI). [3]

**Chapter 11: Marketing**

***Topic 1: Introduction to Marketing & Selling***

60. Explain the following concept- production on concept and selling concept of marketing. [4]

***Topic 2: Marketing Management Philosophies & Functions of Marketing***

61. Name the marketing function which is concerned with informing the customers about the firm's products. [1]

***Topic 3: Marketing Mix & Branding***

62. Explain any 3 advantages of branding to customers and marketers. [3]

***Topic 4: Packaging, Labelling & Pricing***

63. Explain any 3 functions of packaging. [3]

64. State the meaning of 'Product Promotion' function of packaging. [1]

***Topic 5: Concept of Physical Distribution***

65. What is meant by indirect channels of distribution? Explain the different forms of indirect channels of distribution. [5]

***Topic 6: Advertising & Personal Selling***

**66.** Explain the role of 'Advertising' in marketing management. [3]

***Topic 7: Sales Promotion, Publicity & Public Relations***

**67.** Explain the role of 'Public Relations' in marketing management. [3]

**Chapter 12: Consumer Protection**

***Topic 1: Concept of Consumer Protection***

**68.** Explain any three points of importance of consumer protection from the point of view of consumers. [3]

***Topic 2: Consumer Rights, Responsibilities & Redressal Agencies***

**69.** State any three functions performed by non-governmental organisations for consumer protection. [3]

**70.** State any six responsibilities of a consumer which should be kept in mind while purchasing the goods. [6]



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