

18. BUSINESS STUDIES (CODE NO. 054)

Rationale

The courses in Business Studies and Accountancy are introduced at + 2 stage of Senior Secondary Education as formal commerce education is provided after first ten years of schooling. Therefore, it becomes necessary that instructions in these subjects are given in such a manner that students have a good understanding of the principles and practices bearing in business (trade and industry) as well as their relationship with the society.

Business is a dynamic process that brings together technology, natural resources and human initiative in a constantly changing global environment. To understand the framework in which a business operates, a detailed study of the organisation and management of business processes and its interaction with the environment is required. Globalisation has changed the way organizations transact their business.

Information Technology is becoming a part of business operations in more and more organisations. Computerised systems are fast replacing other systems. E-business and other related concepts are picking up fast which need to be emphasized in the curriculum.

The course in Business Studies will prepare students to analyse, manage, evaluate and respond to changes which affect business. It provides a way of looking at and interacting with the business environment. It recognizes the fact that business influences and is influenced by social, political, legal and economic forces. It allows students to appreciate that business is an integral component of society and develops an understanding of many social and ethical issues.

Therefore, to acquire basic knowledge of the business world, a course in Business Studies would be useful. It also informs students of a range of study and work options and bridges the gap between school and work.

Objectives:

- To develop students with an understanding of the processes of business and its environment;
- To acquaint students with the dynamic nature and inter-dependent aspects of business;
- To develop an interest in the theory and practice of business, trade and industry;
- To familiarize students with theoretical foundations of the process of organizing and managing the operations of a business firm;
- To help students appreciate the economic and social significance of business activity and the social cost and benefits arising there from;
- To acquaint students with the practice of managing the operations and resources of business;
- To enable students to act more effectively and responsibly as consumers, employers, employees and citizens;
- To develop a business attitude and skills in students.
- To inculcate appropriate attitude and develop skills among students to pursue higher education, world of work including self employment.

**BUSINESS STUDIES (CODE - 054)
CLASS-XI (2013-14)**

One Paper 100 Marks
3 Hours

Units	Periods	Marks
Part A: Foundations of Business		
1. Nature and Purpose of Business	22	20
2. Forms of Business Organisations	26	
3. Public, Private and Global Enterprises	22	18
4. Business Services	22	
5. Emerging Modes of Business	12	12
6. Social Responsibility of Business and Business Ethics	16	
	<u>120</u>	<u>50</u>
Part B: Finance and Trade		
7. Sources of Business Finance	30	20
8. Small Business	16	
9. Internal Trade	30	20
10. International Business	14	
11. Project Work	30	10
	<u>120</u>	<u>50</u>

PART A: FOUNDATION OF BUSINESS **120 Periods**

Unit 1: Nature and Purpose of Business: **22 Periods**

- Concept and characteristics of business.
- Business, profession and employment -Meaning and their distinctive features.
- Objectives of business - Economic and social, role of profit in business
- Classification of business activities: Industry and Commerce.
- Industry - types: primary, secondary, tertiary - Meaning and sub types
- Commerce - trade: types (internal, external, wholesale and retail; and auxiliaries to trade: banking, insurance, transportation, warehousing, communication, and advertising.
- Business risks - Meaning, nature and causes.

Meaning of business with special reference to economic and non-economic activities. Two or three definitions of business with one conclusive definition.

Fundamental features of business which differentiate it with other activities of society.

Meaning of profession and employment with one definition of each including all their features.

Differentiating features of business, profession and employment.

Meaning and classification of objectives of business as : Economic Social

Economic Objectives - Profit earning, survival, growth

Social Objectives - Production and supply of quality goods and services

Role of Profit - As a source of income for business persons for meeting expansion requirements.

Indication of efficient working of business and building its reputation of business.

Meaning of industry and commerce with examples.

Industry: Meaning of primary, secondary and tertiary industries with 2-3 examples.

Commerce : Meaning of Trade and Auxiliaries to trade. Meaning of commerce : Meaning of different types of trade -Internal, External, Wholesale, and Retail Traders: Meaning of different auxiliaries to trade- Banking, Insurance, Transportation Warehousing, Communication, and Advertising.

Meaning of risks as a special characteristic of business including all possible causes.

Unit 2: Forms of Business organizations

26 Periods

- Sole Proprietorship- meaning, features, merits and limitations.
- Partnership- Features, types, merits and limitations of partnership and partners, registration of a partnership firm, partnership deed. Type of partners.
- Hindu Undivided Family Business: features.
- Cooperative Societies- features, types, merits and limitations.
- Company: private and public company -features, merits and limitations.
- Formation of a company- four stages, important document (MOA, AOA, relevances of certificate of incorporation and certificate of commencement.
- Starting a business - Basic factors.

Meaning of forms of business organisations

Meaning and definition of sole proprietorship, its features merits and limitations.

Definition of partnership as per partnership act 1932

Types of partnership : On the basis of duration or on the basis of liability.

Limited liability partnership- Meaning and examples

Types of partners: Active, sleeping, secret and nominal partner, partner by estoppel.

Meaning of partnership firms with 5-6 major aspects

Need for registration

Self explanatory

Types : Consumers, producers, marketing, farmers, credit and housing co-operatives.

Meaning and definition of private and public company.

Difference between private and public company.

Features, merits and limitations of private and public company.

Stages in the formation of a company in brief.

Knowledge about selection of a business and its size and form of business organization.

Understanding factor to decide location of business, financing and physical facilities.

Unit 3: Public, Private and Global Enterprises

22 Periods

- Private sector and public sector enterprises.
- Forms of public sector enterprises: features, merits and limitations of departmental undertakings, statutory corporation and Government Company.
- Changing role of public sector enterprises.
- Global enterprises, Joint ventures, Public Private Partnership - Features

Develop an understanding of public, private and global enterprises.

Activity to identify various types of public enterprises.

Develop an understanding for the changing patterns by studying global enterprises joint ventures and public private partnership.

Private Sector and Public Sector: Meaning

Forms of Public Sector Enterprises: Departmental Undertakings, Statutory Corporation, Government Company (Features, Meaning, Merits and Limitation of each.)

Global enterprises, Joint ventures, Public private partnership- Meaning and Features.

Unit 4: Business Services

22 Periods

- Banking: Types of bank accounts- savings, current, recurring, fixed deposit and multiple option deposit account.
- Banking services with particular reference to issue of bank draft, banker's cheque (pay order), RTGS (Real Time Gross Settlement) NEFT (National Electronic Funds Transfer), bank overdraft, cash credits and e- banking.
- Insurance: principles, concept of life, health, fire and marine insurance.
- Postal and telecom services: mail (UPC, registered post, parcel, speed post and courier) and other services.

Banking: Types of Bank Accounts- Saving, current, recurring and fixed deposit Accounts along with specific features of each.

Banking Services Meaning and special features of each bank draft, banker's cheque (Pay order), RTGS (Real Time Gross Settlement) NEFT (National Electronic Funds Transfer). Bank overdraft, cash credits, e-banking.

E Banking : Meaning of e- banking and ways of e-banking: ATM, Debit Card, Credit Card, internet banking and mobile banking.

Meaning and principle of insurance utmost good faith, insurance interest, indemnity, contribution, doctrine of subrogation and cause proxima.

Meaning and distinction between life, health, fire and marine insurance.

Meaning and uses of mail (UPC, Registered Post, Parcel, Speed Post, Courier) and Saving schemes (Recurring Deposit, NSCs, KVP, PPF, MIS)

Unit 5: Emerging Modes of Business

12 Periods

- E-business - scope and benefits, resources required for successful e-business implementation, online transactions, payment mechanism, security and safety of business transactions.
- Outsourcing-concept, need and scope of BPO (business process outsourcing) and KPO (knowledge process outsourcing).
- Smart cards and ATM's meaning and utility

E-Business - Scope and Benefits, Resources required for successful e-business implementation, Online transactions, Payment mechanism, Security and Safety of business transactions.

Meaning benefits and limitations of e-banking

Meaning and process of online transaction

Ways of payment through online

Methods of secure and safe business transactions

Outsourcing-Concept, Need and Scope of BPO (Business Process Outsourcing) and KPO (Knowledge Process Outsourcing).

Meaning and features of outsourcing and its need

Meaning of Business Process and Knowledge Process Outsourcing.

Unit 6: Social Responsibility of Business and Business Ethics

16 Periods

- Concept of social responsibility
- Case for social responsibility
- Responsibility towards owners, investors, consumers, employees, government and community
- Environment protection and business

PART B: FINANCE AND TRADE

120 Periods

Meaning definition and need of social response sibling of business.

Responsibility towards investors, consumers, employees, government and community.

Meaning, need and role of environmental protection.

Meaning and basic elements of business ethics

Unit 7: Sources of Business Finance

30 Periods

- Concept of business finance
- Owner's funds - equity shares, preference share, GDR, ADR, IDR and retained earnings.
- Borrowed funds: debentures and bonds, loan from financial institution, loans from commercial banks, public deposits, trade credit, ICD (inter corporate deposits).

Meaning and need of business finance

Sources- Owners funds; Borrowed funds

Meaning, merits and limitations of owners' funds, equity shares, preference shares and retained earnings.

Borrowed Funds- Debentures and bonds, loans from financial institutions, loans from Commercial banks, public deposits, Trade Credit, ICD (Inter Corporate Deposits).

Meaning, merits and limitations of borrowed funds, debentures, bonds, loans from financial institutions, trade credit and inter corporate deposits

Unit 8: Small Business

16 Periods

- Small scale enterprise as defined by MSMED Act 2006 (Micro, Small and Medium Enterprise Development Act).
- Role of small business in India with special reference to rural areas.
- Government schemes and agencies for small scale industries: (National Small Industries Corporation) and DIC (District Industrial Center) with special reference to rural, backward and hilly areas.

Meaning and definition of small scale enterprise as per MSMED Act 2006

Distinction between Micro, Small and Medium enterprises.

Self explanatory

Different government schemes and functions of agencies.

Unit 9: Internal Trade

30 Periods

- Services rendered by a wholesaler and a retailer
- Types of retail -trade - Itinerant and small scale fixed shops
- Large scale retailers - Departmental stores, chain stores, mail order business
- Concept of automatic vending machine
- Chambers of Commerce and Industry: Basic functions
- Main documents used in internal trade: Performa invoice, invoice, debit note, credit note. LR (Lorry receipt) and RR (Railway Receipt)
- Terms of Trade: COD (Cash on Delivery) , FOB (Free on Board), CIF (Cost, Insurance and Freight), E&OE (Errors and Omissions Excepted)

Types of Retail Trade - Itinerants and small scale fixed shops:- Meaning and features.

Large Scale Retailers- Department stores, Chain Stores, Mail Order Business,

Automatic Vending Machine.

Chambers of Commerce and Industry: Basic Functions

Main Documents Used in Internal trade: Performa Invoice, Invoice, Debit Note, Credit Note, LR (Lorry Receipt), RR (Railway Receipt) Meaning , uses and formats

Terms used in Trade : COD, (Cash on Delivery), FOB (Free on Board) ,CIF (Cost Insurance and Freight), E&OE (Errors and Omissions Excepted): Meaning.

Unit 10: International Trade

14 Periods

- Meaning, difference between internal trade and external trade: Meaning and characteristics of international trade.
- Problems of international trade: Advantages and disadvantages of international trade
- Export Trade - Meaning, objective and procedure of Export Trade
- Import Trade - Meaning, objective and procedure: Meaning and functions of import trade; purpose and procedure
- Documents involved in International Trade; documents involved in export trade, indent, letter of credit, shipping order, shipping bills, mate's receipt, bill of lading, certificate of origin, consular invoice, documentary bill of exchange (DA/DP), specimen, importance
- World Trade Organization (WTO) meaning and objectives

Need of International Trade and Complexities faced by Business enterprises in International Trade.

Uses of different documents used in International Trade.

Procedure followed in Export and Import Business.

Historical perspective of WTO

Different types of agreement (Four agreement)

Unit 11: Project Work

30 Periods

- As per CBSE guidelines

QUESTION PAPER DESIGN YEAR 2013-14									
BUSINESS STUDIES			Code No-054				CLASS XI		
Time: 3 hrs			Max.Marks-90						
S. No.	Typology of Questions	Learning Outcomes & Testing Skills	Very Short Answer (VSA) (1 Mark)	Short Answer-I (SA-I) (3 Marks)	Short Answer-II (SA-II) (4 Marks)	Long Answer (LA) (5 Marks)	Essay Type (6 Marks)	Total Marks	% Weightage
1	Remembering- (Knowledge based) Simple recall questions, to know specific facts, terms, concepts, principles, or theories; Identify, define, or recite, information)	<ul style="list-style-type: none"> • Reasoning • Analytical Skills • Critical thinking 	2	1	1	1	-	14	16%
2	Understanding- (Comprehension -to be familiar with meaning and to understand conceptually, interpret, compare, contrast, explain, paraphrase information)		2	2	1	-	1	18	20%
3	Application (Use abstract information in concrete situation, to apply knowledge to new situations; Use given content to interpret a situation, provide an example, or solve a problem)		2	1	1	1	2	26	29%
4	High Order Thinking Skills (Analysis & Synthesis- Classify, compare, contrast, or differentiate between different pieces of information; Organize and/or integrate unique pieces of information from a variety of sources)		2	1	1	1	1	20	22%
5	Evaluation and Multi-Disciplinary- (Appraise, judge, and/or justify the value or worth of a decision or outcome, or to predict outcomes based on values)			1	1 (Values based)	1	-	12	13%
	TOTAL-1 project (10 Marks) 10		8×1=8	6×3=18	5×4=20	4×5=20	4×6=24	90(27) project (10)	100%
	Estimated Time (in minutes)		8 min	27 min	30 min	40 min	60 min	165 min + 15 min for revision	