

## **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 organizations. Computerized 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 prepares students to analyze, 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 inculcate business attitude and develop skills among students to pursue higher education, world of work including self employment.
- 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;

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**CLASS–XI (2020-21)**

**Theory: 80 Marks**  
**Project: 20 Marks**

**3 Hours**

Units		Periods	Marks
<b>Part A</b>	<b>Foundations of Business</b>		
1	Evolution and Fundamentals of Business	18	16
2	Forms of Business Organisations	20	
3	Public, Private and Global Enterprises	10	14
4	Business Services	14	
5	Emerging Modes of Business	05	10
6	Social Responsibility of Business and Business Ethics	08	
	<b>Total</b>	<b>75</b>	<b>40</b>
<b>Part B</b>	<b>Finance and Trade</b>		
7	Sources of Business Finance	28	20
8	Small Business and Entrepreneurship Development	16	
9	Internal Trade	22	20
10	International Business	04	
	<b>Total</b>	<b>70</b>	<b>40</b>
	<b>Project Work</b>	<b>20</b>	<b>20</b>

**Part A: Foundation of Business**

Concept includes meaning and features

**Unit 1: Evolution and Fundamentals of Business**

Content	After going through this unit, the student/ learner would be able to:
History of Trade and Commerce in India: Indigenous Banking System, Rise of Intermediaries, Transport, Trading Communities: Merchant Corporations, Major Trade Centers, Major Imports and Exports, Position of Indian Sub-Continent in the World Economy.	<ul style="list-style-type: none"> <li>To acquaint the History of Trade and Commerce in India</li> </ul>
Business – meaning and characteristics	<ul style="list-style-type: none"> <li>Understand the meaning of business with special reference to economic and non-economic activities.</li> <li>Discuss the characteristics of business.</li> </ul>
Business, profession and employment-Concept	<ul style="list-style-type: none"> <li>Understand the concept of business, profession and employment.</li> <li>Differentiate between business, profession and employment.</li> </ul>
Objectives of business	<ul style="list-style-type: none"> <li>Appreciate the economic and social objectives of business.</li> <li>Examine the role of profit in business.</li> </ul>
Classification of business activities - Industry and Commerce	<ul style="list-style-type: none"> <li>Understand the broad categories of business activities- industry and commerce.</li> </ul>
Industry-types: primary, secondary, tertiary Meaning and subgroups	<ul style="list-style-type: none"> <li>Describe the various types of industries.</li> </ul>

Commerce-trade: (types-internal, external; wholesale and retail) and auxiliaries to trade; (banking, insurance, transportation, warehousing, communication, and advertising) – meaning	<ul style="list-style-type: none"> <li>• Discuss the meaning of commerce, trade and auxiliaries to trade.</li> <li>• Discuss the meaning of different types of trade and auxiliaries to trade.</li> <li>• Examine the role of commerce- trade and auxiliaries to trade.</li> </ul>
Business risk-Concept	<ul style="list-style-type: none"> <li>• Understand the concept of risk as a special characteristic of business.</li> <li>• Examine the nature and causes of business risks.</li> </ul>

## Unit 2: Forms of Business organizations

Sole Proprietorship-Concept, merits and limitations.	<ul style="list-style-type: none"> <li>• List the different forms of business organizations and understand their meaning.</li> <li>• Identify and explain the concept, merits and limitations of Sole Proprietorship.</li> </ul>
Partnership-Concept, types, merits and limitation of partnership, registration of a partnership firm, partnership deed. Types of partners	<ul style="list-style-type: none"> <li>• Identify and explain the concept, merits and limitations of a Partnership firm.</li> <li>• Understand the types of partnership on the basis of duration and on the basis of liability.</li> <li>• State the need for registration of a partnership firm.</li> <li>• Discuss types of partners –active, sleeping, secret, nominal and partner by estoppel.</li> </ul>
Hindu Undivided Family Business: Concept	<ul style="list-style-type: none"> <li>• Understand the concept of Hindu Undivided Family Business.</li> </ul>
Cooperative Societies-Concept, types, merits, and limitations.	<ul style="list-style-type: none"> <li>• Identify and explain the concept, merits and limitations of Cooperative Societies.</li> <li>• Understand the concept of consumers, producers, marketing, farmers, credit and housing co-operatives.</li> </ul>
Company - Concept, merits and limitations; Types: Private, Public and One Person Company – Concept	<ul style="list-style-type: none"> <li>• Identify and explain the concept, merits and limitations.</li> <li>• Understand the concept of private and public company and one person company.</li> <li>• Understand the meaning of one person company.</li> <li>• Distinguish between a private company and a public company.</li> </ul>
Formation of company - stages, important documents to be used in the formation of a company	<ul style="list-style-type: none"> <li>• Highlight the stages in the formation of a company.</li> <li>• Discuss the important documents used in the various stages in the formation of a company.</li> </ul>

### Unit 3: Public, Private and Global Enterprises

Public sector and private sector enterprises – Concept	<ul style="list-style-type: none"><li>• Develop an understanding of Public sector and private sector enterprises</li></ul>
Forms of public sector enterprises: Departmental Undertakings, Statutory Corporations and Government Company.	<ul style="list-style-type: none"><li>• Identify and explain the features, merits and limitations of different forms of public sector enterprises</li></ul>

### Unit 4: Business Services

Business services – meaning and types. Banking: Types of bank accounts - savings, current, recurring, fixed deposit and multiple option deposit account	<ul style="list-style-type: none"><li>• Understand the meaning and types of business services.</li><li>• Develop an understanding of different types of bank accounts.</li></ul>
Banking services with particular reference to Bank Draft, Bank Overdraft, Cash credit. E-Banking meaning, Types of digital payments	<ul style="list-style-type: none"><li>• Develop an understanding of the different services provided by banks</li></ul>
Insurance – Principles. Types – life, health, fire and marine insurance – concept	<ul style="list-style-type: none"><li>• Understand Utmost Good Faith, Insurable Interest, Indemnity, Contribution, Doctrine of Subrogation and Causa Proxima as principles of insurance</li><li>• Discuss different types of insurance-life, health, fire, marine-insurance</li></ul>

### Unit 5: Emerging Modes of Business

E - business: concept, scope and benefits	<ul style="list-style-type: none"><li>• Give the meaning of e-business.</li><li>• Discuss the scope of e-business.</li><li>• Appreciate the benefits of e-business</li><li>• Distinguish e-business from traditional business.</li></ul>
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### Unit 6: Social Responsibility of Business and Business Ethics

Concept of social responsibility	<ul style="list-style-type: none"><li>• State the concept of social responsibility.</li></ul>
Case for social responsibility	<ul style="list-style-type: none"><li>• Examine the case for social responsibility.</li></ul>
Responsibility towards owners, investors, consumers, employees, government and community.	<ul style="list-style-type: none"><li>• Identify social responsibilities towards different interest groups.</li></ul>
Role of business in environment protection	<ul style="list-style-type: none"><li>• Appreciate the role of business in environment protection.</li></ul>

### Part B: Finance and Trade

#### Unit 7: Sources of Business Finance

Business finance: Concept and Importance	<ul style="list-style-type: none"><li>• State the meaning, nature and importance of business finance.</li></ul>
Owners' funds- equity shares, preference share, retained earnings, Global Depository receipt (GDR), American Depository Receipt (ADR) and International Depository Receipt (IDR) – concept	<ul style="list-style-type: none"><li>• Classify the various sources of funds into owners' funds.</li><li>• State the meaning of owners' funds.</li><li>• Understand the meaning of Global Depository receipts, American Depository Receipts and International Depository Receipts.</li></ul>

Borrowed funds: debentures and bonds, loan from financial institution and commercial banks, public deposits, trade credit and	<ul style="list-style-type: none"> <li>• State the meaning of borrowed funds.</li> <li>• Discuss the concept of debentures, bonds, loans from financial institutions and commercial banks, Trade credit</li> <li>• Distinguish between owners' funds and borrowed funds.</li> </ul>
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### Unit 8: Small Business and Entrepreneurship Development

Entrepreneurship Development (ED): Concept and Need. Process of Entrepreneurship Development: Start-up India Scheme, ways to fund start-up. Intellectual Property Rights and Entrepreneurship	<ul style="list-style-type: none"> <li>• Understand the concept and need of Entrepreneurship Development (ED), Intellectual Property Rights</li> <li>• Understand the process of Entrepreneurship Development</li> </ul>
Small scale enterprise – Definition	<ul style="list-style-type: none"> <li>• Understand the definition of small enterprises</li> </ul>
Role of small business in India with special reference to rural areas	<ul style="list-style-type: none"> <li>• Discuss the role of small scale business in India with special reference to rural areas</li> </ul>
Government schemes and agencies for small scale industries: National Small Industries Corporation (NSIC) and District Industrial Centre (DIC) with special reference to rural, backward areas	<ul style="list-style-type: none"> <li>• Appreciate various schemes of NSIC and DIC with special reference to rural, backward area.</li> </ul>

### Unit 9: Internal Trade

Internal trade - meaning and types of services rendered by a wholesaler and a retailer	<ul style="list-style-type: none"> <li>• State the meaning and types of internal trade.</li> <li>• Appreciate the services of wholesalers and retailers.</li> </ul>
Large scale retailers-Departmental stores, chain stores – concept	<ul style="list-style-type: none"> <li>• Highlight the distinctive features of departmental stores, chain stores</li> </ul>

### Unit 10: International Trade

International trade: concept and benefits	<ul style="list-style-type: none"> <li>• Understand the concept of international trade.</li> <li>• Describe the benefit of international trade to the nation and business firms.</li> </ul>
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### Unit 11: Project Work

As per CBSE guidelines.