

BUSINESS STUDIES

Class 11

BUSINESS STUDIES CLASS–XI

Units	
Part A	Foundations of Business
1	Nature and Purpose of Business
2	Forms of Business Organisations
3	Public, Private and Global Enterprises
4	Business Services
5	Emerging Modes of Business
6	Social Responsibility of Business and Business Ethics
Part B	Finance and Trade
7	Sources of Business Finance
8	Small Business
9	Internal Trade
10	International Business
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	Project Work (One)

Part A: Foundation of Business

Concept includes meaning and features

Unit 1	Nature and Purpose 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 Centres, Major Imports and Exports, Position of Indian Sub-Continent in the World Economy	<ul style="list-style-type: none"> To acquaint the History of Trade and Commerce in India
	Business – meaning and characteristics	<ul style="list-style-type: none"> Understand the meaning of business with special reference to economic and non-economic activities. Discuss the characteristics of business.
	Business, profession and employment – Concept	<ul style="list-style-type: none"> Understand the concept of business, profession and employment. Differentiate between business, profession and employment.

	Objectives of business	<ul style="list-style-type: none"> • Appreciate the economic and social objectives of business. • Examine the role of profit in business.
	Classification of business activities - Industry and Commerce	<ul style="list-style-type: none"> • Understand the broad categories of business activities- industry and commerce.
	Industry-types: primary, secondary, tertiary Meaning and subgroups	<ul style="list-style-type: none"> • Describe the various types of industries.
	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"> • Discuss the meaning of commerce, trade and auxiliaries to trade. • Discuss the meaning of different types of trade and auxiliaries to trade. • Examine the role of commerce-trade and auxiliaries to trade.
	Business risk-Concept	<ul style="list-style-type: none"> • Understand the concept of risk as a special characteristic of business. • Examine the nature and causes of business risks.

	Forms of Business Organisation	
	Sole Proprietorship-Concept, merits and limitations	<ul style="list-style-type: none"> • List the different forms of business organizations and understand their meaning. • Identify and explain the concept, merits and limitations of Sole Proprietorship.
	Partnership-Concept, types, merits and limitation of partnership, registration of a partnership firm, partnership deed. Types of partners	<ul style="list-style-type: none"> • Identify and explain the concept, merits and limitations of a Partnership firm. • Understand the types of partnership on the basis of duration and on the basis of liability. • State the need for registration of a partnership firm. • Discuss types of partners – active, sleeping, secret, nominal and partner by estoppel.
	Hindu Undivided Family Business: Concept	<ul style="list-style-type: none"> • Understand the concept of Hindu Undivided Family Business.

	Cooperative Societies-Concept, merits, and limitations.	<ul style="list-style-type: none"> Identify and explain the concept, merits and limitations of Cooperative Societies. Understand the concept of consumers, producers, marketing, farmers, credit and housing cooperatives.
	Company - Concept, merits and limitations; Types: Private, Public and One Person Company – Concept	<ul style="list-style-type: none"> Identify and explain the concept, merits and limitations of private and public companies. Understand the meaning of one person company. Distinguish between a private company and a public company.
	Formation of company - stages, important documents to be used in formation of a company	<ul style="list-style-type: none"> Highlight the stages in the formation of a company. Discuss the important documents used in the various stages in the formation of a company.
	Choice of form of business organization	<ul style="list-style-type: none"> Distinguish between the various forms of business organizations. Explain the factors that influence the choice of a suitable form of business organization.

Unit 2	Public, Private and Global Enterprises Public sector and private sector enterprises – Concept	<ul style="list-style-type: none"> Develop an understanding of Public sector and private sector enterprises
	Forms of public sector enterprises: Departmental Undertakings, Statutory Corporations and Government Company	<ul style="list-style-type: none"> Identify and explain the features, merits and limitations of different forms of public sector enterprises
	Global Enterprises – Feature Joint venture Public private partnership – concept	<ul style="list-style-type: none"> Develop an understanding of global enterprises, public private partnership by studying their meaning and features.

	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"> Understand the meaning and types of business services. Discuss the meaning and types of Business service Banking Develop an understanding of difference types of bank account.
	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"> Develop an understanding of the different services provided by banks
	Insurance – Principles. Types – life, health, fire and marine insurance – concept	<ul style="list-style-type: none"> Recall the concept of insurance Understand Utmost Good Faith, Insurable Interest, Indemnity, Contribution, Doctrine of Subrogation and Causa Proxima as principles of insurance Discuss the meaning of different
		types of insurance-life, health, fire, marine insurance.
	Postal Service - Mail, Registered Post, Parcel, Speed Post, Courier - meaning	<ul style="list-style-type: none"> Understand the utility of different telecom services

	Emerging Modes of Business E - business: concept, scope and benefits	<ul style="list-style-type: none"> Give the meaning of e-business. Discuss the scope of e-business. Appreciate the benefits of ebusiness Distinguish e-business from traditional business.
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	Social responsibility of Business and Business Ethics Concept of social responsibility	<ul style="list-style-type: none"> State the concept of social responsibility.
	Case of social responsibility	<ul style="list-style-type: none"> Examine the case for social responsibility.
	Responsibility towards owners, investors, consumers, employees, government and community	<ul style="list-style-type: none"> Identify the social responsibility towards different interest groups.
	Role of business in environment protection	<ul style="list-style-type: none"> Appreciate the role of business in environment protection.
	Business Ethics - Concept and Elements	<ul style="list-style-type: none"> State the concept of business ethics. Describe the elements of business ethics.

Unit 3	Finance and Trade Concept of business finance	<ul style="list-style-type: none"> State the meaning, nature and importance of business finance.
	Owners' funds- equity shares, preferences share, retained earnings	<ul style="list-style-type: none"> Classify the various sources of funds into owners' funds. State the meaning of owners' funds.
	Borrowed funds: debentures and bonds, loan from financial institution and commercial banks, public deposits, trade credit, Inter Corporate Deposits (ICD)	<ul style="list-style-type: none"> State the meaning of borrowed funds. Discuss the concept of debentures, bonds, loans from financial institutions and commercial banks, Trade credit and inter corporate deposits. Distinguish between owners' funds and borrowed funds.

	Small Business Entrepreneurship Development (ED): Concept, Characteristics 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"> Understand the concept of Entrepreneurship Development (ED), Intellectual Property Rights
	Small scale enterprise as defined by MSMED Act 2006 (Micro, Small and Medium Enterprise Development Act)	<ul style="list-style-type: none"> Understand the meaning of small business
	Role of small business in India with special reference to rural areas	<ul style="list-style-type: none"> Discuss the role of small business in India
	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"> Appreciate the various Government schemes and agencies for development of small scale industries. NSIC and DIC with special reference to rural, backward area.

Unit 4	Internal Trade Internal trade - meaning and types services rendered by a wholesaler and a retailer	<ul style="list-style-type: none"> State the meaning and types of internal trade. Appreciate the services of wholesalers and retailers.
	Types of retail-trade-Itinerant and small scale fixed shops retailers	<ul style="list-style-type: none"> Explain the different types of retail trade.

	Large scale retailers-Departmental stores, chain stores – concept	<ul style="list-style-type: none"> Highlight the distinctive features of departmental stores, chain stores and mail order business.
	GST (Goods and Services Tax): Concept and key-features	<ul style="list-style-type: none"> Understand the concept of GST

	International Trade International trade: concept and benefits	<ul style="list-style-type: none"> Understand the concept of international trade. Describe the scope of international trade to the nation and business firms.
	Export trade – Meaning and procedure	<ul style="list-style-type: none"> State the meaning and objectives of export trade. Explain the important steps involved in executing export trade.
	Import Trade - Meaning and procedure	<ul style="list-style-type: none"> State the meaning and objectives of import trade. Discuss the important steps involved in executing import trade.
	Documents involved in International Trade; indent, letter of credit, shipping order, shipping bills, mate's receipt (DA/DP)	<ul style="list-style-type: none"> Develop an understanding of the various documents used in international trade. Identify the specimen of the various documents used in international trade. Highlight the importance of the documents needed in connection with international trade transactions
	World Trade Organization (WTO) meaning and objectives	<ul style="list-style-type: none"> State the meaning of World Trade Organization. Discuss the objectives of World Trade Organization in promoting international trade.

Project Work

PROJECT WORK IN BUSINESS STUDIES

I. Project One: Field Visit

The objective of introducing this project among the students is to give a first hand experience to them regarding the different types of business units operating in their surroundings, to observe their features and activities and relate them to the theoretical knowledge given in their text books. The students should select a place of field visit from the following: – (Add more as per local area availability.)

1. Visit to a Handicraft unit.
2. Visit to an Industry.
3. Visit to a Whole sale market (vegetables, fruits, flowers, grains, garments, etc.)
4. Visit to a Departmental store.
5. Visit to a Mall.

The following points should be kept in mind while preparing this visit.

1. Select a suitable day free from rush/crowd with lean business hours.
2. The teacher must visit the place first and check out on logistics. It's better to seek permission from the concerned business- incharge.
3. Visit to be discussed with the students in advance. They should be encouraged to prepare a worksheet containing points of observation and reporting.
4. Students may carry their cameras (at their own risk) with prior permission for collecting evidence of their observations.

1. Visit to a Handicraft Unit

The purpose of visiting a Handicraft unit is to understand nature and scope of its business, stake holders involved and other aspects as outlined below

- a) The raw material and the processes used in the business: People /parties/firms from which they obtain their raw material.
- b) The market, the buyers, the middlemen, and the areas covered.
- c) The countries to which exports are made.
- d) Mode of payment to workers, suppliers etc.
- e) Working conditions.
- f) Modernization of the process over a period of time.
- g) Facilities, security and training for the staff and workers.
- h) Subsidies available/ availed.
- i) Any other aspect that the teachers deem fit.

2. Visit to an Industry.

The students are required to observe the following:

- a) Nature of the business organisation.
- b) Determinants for location of business unit.
- c) Form of business enterprise: Sole Proprietorship, Partnership, Undivided Hindu Family, Joint Stock Company (a Multinational Company).
- d) Different stages of production/process
- e) Auxiliaries involved in the process.
- f) Workers employed, method of wage payment, training programmes and facilities available.

- g) Social responsibilities discharged towards workers, investors, society, environment and government.
- h) Levels of management.
- i) Code of conduct for employers and employees.
- j) Capital structure employed- borrowed v/s owned.
- k) Quality control, recycling of defective goods.
- l) Subsidies available/availed.
- m) Safety Measures employed.
- n) Working conditions for labour in observation of Labour Laws.
- o) Storage of raw material and finished goods.
- p) Transport management for employees, raw material and finished goods.
- q) Functioning of various departments and coordination among them (Production, Human Resource, Finance and Marketing)
- r) Waste Management.
- s) Any other observation.

3. Visit to a whole sale market: vegetables/fruits/flowers/grains/garments etc.

The students are required to observe the following:

- a) Sources of merchandise.
- b) Local market practices.
- c) Any linked up businesses like transporters, packagers, money lenders, agents, etc.
- d) Nature of the goods dealt in.
- e) Types of buyers and sellers.
- f) Mode of the goods dispersed, minimum quantity sold, types of packaging employed.
- g) Factors determining the price fluctuations.
- h) Seasonal factors (if any) affecting the business.
- i) Weekly/ monthly non-working days.
- j) Strikes, if any- causes thereof.
- k) Mode of payments.
- l) Wastage and disposal of dead stock.
- m) Nature of price fluctuations, reason thereof.
- n) Warehousing facilities available\availed.
- o) Any other aspect.

4. Visit to a Departmental store

The students are required to observe the following:

- a) Different departments and their lay out.
- b) Nature of products offered for sale.
- c) Display of fresh arrivals.
- d) Promotional campaigns.
- e) Spaces and advertisements.
- f) Assistance by Sales Personnel.
- g) Billing counter at store – Cash, Credit Card/ Debit Card, swipe facility. Added attractions and facilities at the counter.
- h) Additional facilities offered to customers
- i) Any other relevant aspect.

5. Visit to a Mall.

The students are required to observe the following:

- a) Number of floors, shops occupied and unoccupied.
- b) Nature of shops, their ownership status
- c) Nature of goods dealt in: local brands, international brands,

- d) Service business shops- Spas, gym, saloons etc.
- e) Rented spaces, owned spaces,
- f) Different types of promotional schemes.
- g) Most visited shops.
- h) Special attractions of the Mall- Food court, Gaming zone or Cinema etc.
- i) Innovative facilities.
- j) Parking facilities. Teachers may add more to the list.

II. Project Two: Case Study on a Product

- a) Take a product having seasonal growth and regular demand with which students can relate. For example,
- Apples from Himachal Pradesh, Kashmir.
 - Oranges from Nagpur,
 - Mangoes from Maharashtra/U.P./Bihar/Andhra Pradesh etc.
 - Strawberries from Panchgani,
 - Aloe vera from Rajasthan,
 - Walnuts/almonds from Kashmir,
 - Jackfruit from South,
 - Guavas from Allahabad,
 - Pineapples from North East India,
 - Tea from Assam,
 - Orchids from Sikkim and Meghalaya,
 - Pottery of Manipur,
 - Fishes from coastal areas.

Students may develop a Case Study on the following lines:

- (i) Research for change in price of the product. For example, apples in Himachal Pradesh during plucking and non plucking season.
- (ii) Effect on prices in the absence of effective transport system.
- (iii) Effect on prices in the absence of suitable warehouse facilities.
- (iv) Duties performed by the warehouses.
- (v) Demand and supply situation of the product during harvesting season, prices near the place of origin and away.

Students may be motivated to find out the importance of producing and selling these products and their processed items along with the roles of Transport, Warehousing, Advertising, Banking, Insurance, Packaging, Wholesale selling, Retailing, Co-operative farming, Co-operative marketing etc.

The teacher may develop the points for other projects on similar lines for students to work on.

The teacher may assign this project as 'group' project and may give different products to different groups. It could conclude in the form of an exhibition.

III. Project Three: Aids to Trade

Taking any one AID TO TRADE, for example Insurance and gathering information on following aspects

1. History of Insurance Lloyd's contribution.
2. Development of regulatory Mechanism.
3. Insurance Companies in India
4. Principles of Insurance.
5. Types of Insurance. Importance of insurance to the businessmen.
6. Benefits of crop, orchards, animal and poultry insurance to the farmers.

7. Terminologies used (premium, face value, market value, maturity value, surrender value) and their meanings.
 8. Anecdotes and interesting cases of insurance. Reference of films depicting people committing fraudulent acts with insurance companies.
 9. Careers in Insurance.
- Teachers to develop such aspects for other aids to trade.

IV. Project Four: Import /Export Procedure

Any one from the following

1. Import /Export procedure

The students should identify a product of their city/country which is imported /exported. They are required to find the details of the actual import/export procedure. They may take help from the Chambers of Commerce, Banker, existing Importers/Exporters, etc.

They should find details of the procedure and link it with their Text knowledge.

The specimens of documents collected should be pasted in the Project file with brief description of each. They may also visit railway godowns/dockyards/ transport agencies and may collect pictures of the same.

Presentation and submission of project report.

At the end of the stipulated term, each student will prepare and submit his/her project report. Following essentials are required to be fulfilled for its preparation and submission.

1. The total project will be in a file format, consisting of the recordings of the value of shares and the graphs.
2. The project will be handwritten.
3. The project will be presented in a neat folder.
4. The project report will be developed in the following sequence-
 - ☐ Cover page should project the title, student information, school and year.
 - ☐ List of contents.
 - ☐ Acknowledgements and preface (acknowledging the institution, the news papers read, T.V. channels viewed, places visited and persons who have helped).
 - ☐ Introduction.
 - ☐ Topic with suitable heading.
 - ☐ Planning and activities done during the project, if any.
 - ☐ Observations and findings while conducting the project.
 - ☐ News paper clippings to reflect the changes of share prices.
 - ☐ Conclusions (summarised suggestions or findings, future scope of study).
 - ☐ Appendix (if needed).
 - ☐ Teachers report.
 - ☐ Teachers will initial preface page.
 - ☐ At the completion of the evaluation of the project, it will be punched in the centre so that the report cannot be reused but is available for reference only.
 - ☐ The projects will be returned after evaluation. The school may keep the best projects.

Presentation and Submission of Project Report

At the end of the unit each student will prepare and submit his/her project report.

Following essentials are required to be fulfilled for its preparation and submission.

2. Determinants for location of the concerned emporium
3. Is the space rented or owned
4. Nature of the goods dealt in
5. Sources of merchandise of the emporium
6. Role of co-operative societies in the manufacturing and/or marketing of the merchandise
7. Role of gifts of nature or natural produce in the development of goods/merchandise
8. Types of buyers and sellers
9. Modes of goods dispersed, minimum quantity sold and type of carrying bag or package used for delivery of the products sold
10. Factors determining the pricing at the emporium
11. Comparison between the prices of goods available at the emporium with the prices in the open market. Also highlight probable causes of variations if any.
12. Kind of raw material available naturally, used in making the products
13. The technique used in making the products i.e., hand made or machine made
14. Has the child labour being used in making the products sold at the emporium
15. Are the products eco-friendly, in terms of manufacturing, disposal and packing
16. Seasonal factors if any affecting the business of the emporium
17. Weekly/ Monthly non-working days
18. Mode of billing and payments - Cash, Credit Card/ Debit Card, Swipe facility.
19. Does the emporium sell its merchandise in installment / deferred payment basis
20. Do they provide home delivery and after sales services.
21. Different types of promotional campaigns / schemes
22. Assistance by Sales Personnel
23. Export orientation of this emporium and procedure used
24. Policies related to damaged/ returned goods
25. Any government facility available to the emporium
26. Warehousing facilities available / availed
27. Impact of tourism on the business of emporium
28. Additional facility offered to customers
29. Any Corporate Social Responsibility (CSR) assumed by the emporium
30. Contribution made by the emporium to its locality

ASSESSMENT

The marks will be allocated on the following heads.

1	Initiative, cooperativeness and participation	2 Mark
2	Creativity in presentation	2 Mark
3	Content, observation and research work	4 Marks
4	Analysis of situations	4 Marks
5	Viva	8 Marks
	Total	20 Marks