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# **BUSINESS STUDIES**

#### **Course Structure**

Units	Topics	Marks
Part A	Foundation of Business	50
1	Nature and Purpose of Business	20
2	Forms of Business Organisations	
3	Public, Private and Global Enterprises	18
4	Business Service	
5	Emerging Modes of Business	12
6	Social Responsibility and Business Ethics	
Part B	Finance and Trade	50
7	Sources of Business Finance	20
8	Small Business	
9	Internal Trade	20
10	International Business	
11	Project Work	10
Total (Part A + Part B)		100

# **Course Syllabus**

## **Unit 1: Nature and Purpose of Business**

- > 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
  - Retail
- Auxiliaries to trade:
  - Banking
  - Insurance
  - Transportation
  - Warehousing
  - Communication
  - Advertising
- > Business risks:
  - Meaning
  - Nature
  - Causes

## Unit 2: Forms of Business organizations

- > Sole Proprietorship:
  - Meaning
  - Features
  - Merits
  - 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
- > Cooperative Societies:
  - Features
  - Types
  - Merits
  - Limitations
- Company:
  - Private company
  - Public company
  - Features
  - Merits
  - Limitations
- Formation of a company:
  - Four stages
  - Important document (MOA, AOA)
  - Relevance of certificate of incorporation
  - Certificate of commencement
- Starting a business
  - Basic factors

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

- Private sector and public sector enterprises
- > Forms of public sector enterprises:



- Features
- Merits and limitations of departmental undertakings
- Statutory corporation
- Government Company
- > Changing role of public sector enterprises
- Global enterprises
  - Joint ventures
  - Public Private Partnership

### **Unit 4: Business Services**

- Banking Types of bank accounts:
  - Savings
  - Current
  - Recurring
  - fixed deposit
  - 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
  - E- banking
- Insurance:
  - Principles
  - Concept of life
  - Health
  - Fire
  - Marine insurance



- Postal and telecom services Mail
  - UPC
  - Registered post
  - Parcel
  - Speed post
  - Courier
  - Other services

## **Unit 5: Emerging Modes of Business**

- > 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)
  - KPO (Knowledge Process Outsourcing)
- > Smart cards and ATM's
  - Meaning
  - Utility

## **Unit 6: Social Responsibility of Business and Business Ethics**

- Concept of social responsibility
- > Case for social responsibility
- Responsibility towards:
  - Owners
  - Investors
  - Consumers



- Employees
- Government
- Community
- > Environment protection and business

### **Unit 7: Sources of Business Finance**

- Concept of business finance
- Owner's funds:
  - Equity shares
  - Preference share
  - GDR
  - ADR
  - IDR
  - Retained earnings
- Borrowed funds:
  - Debenture
  - Bonds
  - Loan from financial institution
  - Loans from commercial banks
  - · Public deposits
  - Trade credit
  - ICD (Inter Corporate Deposits)

### **Unit 8: Small Business**

- 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:



 NSIC (National Small Industries Corporation) and DIC (District Industrial Center) with special reference to rural, backward and hilly areas

### **Unit 9: Internal Trade**

- 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)
  - 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)

#### **Unit 10: International Trade**

- International Trade:
  - Meaning



- Characteristics
- Problems
- Advantages
- Disadvantages
- Difference between internal trade and external trade

## Export Trade:

- Meaning
- Objective
- Procedure

## > Import Trade:

- Meaning
- Objective
- Procedure
- Functions
- Purpose

### > Documents involved in International 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
- Objective

