ISC

INDIAN SCHOOL CERTIFICATE EXAMINATION

YEAR 2028

BUSINESS STUDIES (857)

Developed by:
Research, Development and Curriculum Division (RDCD)
CISCE

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Council for the Indian School Certificate Examinations (CISCE)

MISSION STATEMENT

The Council for the Indian School Certificate Examinations is committed to serving the nation's children, through high quality educational endeavours, empowering them to contribute towards a humane, just and pluralistic society, promoting introspective living, by creating exciting learning opportunities, with a commitment to excellence.

ETHOS OF CISCE

- Trust and fair play.
- Minimum monitoring.
- Allowing schools to evolve their own niche.
- Catering to the needs of the children.
- Giving freedom to experiment with new ideas and practices.
- Diversity and plurality - the basic strength for evolution of ideas.
- Schools to motivate pupils towards the cultivation of:
  Excellence - The Indian and Global experience.
  Values - Spiritual and cultural - to be the bedrock of the educational experience.
- Schools to have an 'Indian Ethos', strong roots in the national psyche and be sensitive to national aspirations.

BUSINESS STUDIES (857)

Aims:

1. To develop an understanding of the fundamental reasons for the existence of business.
2. To appreciate the role of business in society and the economy.
3. To apply the knowledge and critical understanding of concepts to current issues and problems faced by a business.
4. To compare and contrast the different forms of business ownership.
5. To analyse the nature of business risk and evaluate strategies to minimize its impact.
6. To develop skills of numeracy and literacy for sources of finance, its presentation and interpretation in relation to a business organisation.
7. To introduce the concept of management, its functions, and principles.
8. To develop and assess marketing strategies and appreciate the need for consumer protection.
9. To understand the evolving modes of technology integrated with business.

CLASS XI

There will be ***two*** *papers in the subject:*

Paper I - *Theory: 3 hours ……80 marks*

Paper II- *Project Work ……20 marks*

PAPER I (THEORY) : 80 MARKS

S. NO.	UNIT	WEIGHTAGE
1.	Business: Purpose and Classification	10 Marks
2.	Forms and Types of Business Organisation	30 Marks
3.	Contemporary and Evolving Modes of Business	15 Marks
4.	Domestic Trade	10 Marks
5.	Business Risks and Insurance	15 Marks
TOTAL		**80 Marks**

1. Business: Purpose and Classification

Meaning and features of business; Objectives of business; Classification of business activities; Business Ethics and Corporate Social Responsibility

(i) Meaning and features of business

(ii) Business objectives: Economic and social; Role of Profit in business (brief understanding).

(iii) Classification of business activities:

(a) Industry– types of industries on the basis of activity (primary secondary and tertiary) and on the basis of size (micro, small, medium and large).

(b) Commerce– its nature and functions; importance of Commerce, trade (domestic and international) and aids to trade (transportation, warehousing, banking, finance insurance, advertising).

Brief understanding of the above.

(iv) Business Ethics and Corporate Social Responsibility (meaning only)

2. Forms and Types of Business Organisations

(i) Forms of business organisations

Private sector, public sector, Public Private Partnership (PPPs) /Joint Sector (Meaning and ,features) Comparative study between different forms of business organisations.

(ii) Types of Business Organisations under the Private Sector: Sole Proprietorship

Meaning, features, merits and demerits.

(iii) Partnership

Meaning, features, merits and demerits, registration, types of partners and types of partnership firms

(a) Meaning, features , merits and demerits of partnership.

(b) Registration of Partnership firms: Formation, meaning and contents of partnership deed; registration process, consequences of non-registration.

(c) Types of partners (active, dormant, partner by estoppel, partner by holding out, minor partner) and partnerships (General, particular and limited liability partnership).

(iv) Corporate Organisations

(a) Joint Stock Company – Meaning, features, merits and demerits.

(b) Types of companies – Public and private companies: Meaning and their comparative studies.

(c) Stages of formation of a company.

(d) Promotion - meaning, role and types of promoters.

(e) Incorporation of a company – Meaning and steps of incorporation (including filing of documents), certificate of incorporation.

(f) Memorandum of Association and Articles of Association (excluding alterations) and distinction between the two documents.

Meaning and contents of MOA and AOA. Distinction between the MOA and AOA.

(g) Commencement of business.

Steps, Certificate of Commencement.

(h) Prospectus and statement in lieu of prospectus – Meaning and contents only.

(i) Global enterprises – Meaning, characteristics, different types of global enterprises-meaning only.

(vi) Co-operative organisations

Meaning, features, merits and demerits

Multistate Cooperative Society (meaning only)

3. Contemporary and Evolving Modes of Business

(i) e-Business.

Scope and benefits, Resources required for successful e-business implementation, online transactions, payment mechanisms.

Emerging technology in e-business– Meaning of blockchain, its application in supply chain management and cryto-assets (meaning only).

Security and safety of business transactions.

(ii) e-Commerce

Meaning of e-Commerce

Q- Commerce (Quick Commerce) and artificial intelligence - concept of quick commerce and the integration of artificial intelligence, chatbots with customised consumer experience.

(iii) e-Banking

Online services – Transfer of funds through Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT), Immediate Payment Service (IMPS), Digital Banking, UPI, E-wallet, Digital Rupee- Meaning only.

Online payments, e-Banking – Meaning and features, advantages and disadvantages.

Mobile Banking – SMS alerts, transfer of funds, making payments - advantages and disadvantages.

Debit Cards vs Credit Cards, ATM (Automated Teller Machine) – Meaning; Debit card and credit card: features and differences.

Demand draft– Meaning and Online issue of demand draft.

4. Domestic Trade

(i) Wholesale trade

Meaning and features of wholesale trade and services of wholesaler to retailer, customer and producer.

(ii) Retail trade

Retail trade – meaning and features of retail trade.

Distinction between wholesale and retail trade.

Types of retail trade – Itinerant and small-scale fixed shops: departmental stores, chain stores and dark stores.

Concept of digital retailing. Omnichannel retailing.

Meaning and features only.

5. Business Risks and Insurance

(i) Risks in business – insurable and non-insurable (meaning and features only).

(ii) Insurance

Meaning and features of insurance.

(iii) Principles of insurance.

Fundamental principles to be explained: utmost good faith; insurable interest; indemnity; contribution; doctrine of subrogation; causa proxima. Mitigation of loss.

(iv) Concept of re-insurance and double insurance.

(v) Concept of assurance; Comparison between assurance and insurance

(vi) Types of insurance: *Types of insurance – life, health, fire, marine, motor, social and fidelity insurance (Meaning only)*

PAPER II (PROJECT WORK) : 20 Marks

Candidates will be expected to have completed **two** projects from any topic covered in Theory. **The project should preferably be hand written and a hard copy should be submitted by the candidates.**

Mark allocation for **each** Project [10 marks]:

Overall format	1 mark
Content	4 marks
Findings	2 marks
Viva-voce based on the Project	3 marks

A list of suggested Projects is given below:

1. Select a daily-use consumer product. Trace its origin right from the primary industry through the secondary and tertiary industries. Draw a flow chart to include all the business activities in its path from the producer to the consumer.
2. Assume you are starting a partnership firm with your friend/friends. Develop a business plan covering the following aspects:
   - Formation of this partnership firm – rules and steps that would be followed including the partnership deed
   - Choice of types of partners involved and your justification for the same.
3. A System for Tracking Food Origins: Develop a blockchain-based system to trace the journey of food products from farm to consumer, recording details like origin, processing, and transportation. This can help ensure food safety and authenticity. For example, tracking the origin and processing of organic vegetables.
4. Ethical and Sustainable Sourcing: Build a blockchain system to track the sourcing of raw materials, ensuring they come from ethical and sustainable sources. This could be applied to industries like fashion or electronics to provide consumers with verifiable sustainability information.
5. Identity two Public Private Partnership projects.
   Find out:
   - The equity participation of both the partners.
   - Objectives of the partnership
   - Strengths both partners bring into the venture.
6. Select one consumer cooperative and one housing cooperative.
   For each of the cooperatives:
   - State the objectives.
   - The organisational structure.
   - Details of surplus distribution and the form of government support.
7. Document and analyse the Corporate Social Responsibility activities of a pharmaceutical company and a five-star hotel.

   Comment on the changing role assumed by Corporates towards business ethics and social responsibility in the last two decades.
8. Contact an insurance agent and collect information about 5 different types of life insurance policies provided by different companies. Include information as per details given below for every insurance plan and make a comparative analysis.
   - Premium of insurance
   - Terms of inclusions and exclusions of each policy

- Term of the policy
- Withdrawal of money from the insurance scheme (surrender / foreclosure)
- Advantages/disadvantages of the plan

9. Visit a company that is involved in e-business (which offers online services) or a consultancy, which helps in developing websites for such companies.

   Study different aspects they keep in mind while preparing business plans for e-business. Include information regarding the payment mechanisms, security and safety of business transactions. The risks involved in e-business should also be covered. Also include the steps they follow while implementing the plan and starting the business.

10. Select a global enterprise, study its expansion strategy, focusing on its entry into emerging markets, adaptation to local regulations, and the role of technology in driving international growth and customer engagement.

CLASS XII

*There will be **two** papers in the subject:*

***Paper I -** Theory: 3 hours ……80 marks*

***Paper II-** Project Work ……20 marks*

PAPER I (THEORY) : 80 MARKS

S. NO.	UNIT	WEIGHTAGE
1.	Business Environment	5 Marks
2.	Management	35 Marks
3.	Financing	20 Marks
4.	Marketing	20 Marks
TOTAL		**80 Marks**

1. Business Environment

Meaning and Importance of Business Environment through Environmental Scanning

(i) Business Environment: *Meaning and features;* Environmental scanning- *Meaning and importance*

(ii) Components of Business Environment –

Internal factors: Corporate culture, mission and objectives, management structure, employee skills and resources

External factors: political, economic, social, technological, legal, environmental and global

(iii) S.W.O.T. Analysis *(Strength, Weakness, Opportunity and Threat) as a technique to assess the organisation.*

2. Management

(i) Management: Meaning, features and importance of management.

Meaning of Management: as an activity; as a group; as a discipline; as a process. Features and importance of management.

Levels of management (top, middle and lower levels)- Meaning and functions of each level.

(ii) Principles of Management:

Need for principles of management; Taylor's 5 scientific principles of Management; Fayol's 14 principles of Management; Relevance of the principles of Management in today's business scenario. Comparison of Taylor's and Fayol's principles.

(iii) Functions of Management: Planning; Organising; Staffing; Directing; Controlling and Coordinating.

(a) Planning:

Meaning, steps, importance & limitation; Types of plans- Objectives, strategy, policy, procedures, method, rule, budget, program, (meaning and features).

(b) Organising:

Meaning, importance, steps; Organisational structure (functional and divisional)-Meaning, features, merits, demerits and differences between functional and divisional

Formal and informal organisation – Meaning, features, merits, demerits and differences between formal and informal

Delegation- Meaning and importance

Decentralisation and Centralisation- Meaning

Distinction between delegation and decentraliation.

(c) Staffing:

Meaning, steps and importance; Recruitment – Meaning and sources; Selection –Meaning and steps; difference between selection and recruitment,

Training: Meaning,

Methods of training:

Off the job training: coaching, internship, job rotation, job instructional technique, apprenticeship (Meaning only)

On the job training:lectures, conferences, vestibule training (Meaning only)

Development- Meaning

Differences between training and development.

(d) Directing:

Meaning and importance of directing

Supervision- Meaning, functions of a supervisor;

Motivation - Meaning and Maslow's theory; Leadership- Meaning and styles of leadership (Democratic, Autocratic Laissez-faire, Transformational and Situational- meaning only).

Communication - Meaning, objectives and process of communication. Barriers to communication and overcoming barriers to communication.

(e) Controlling:

Meaning, steps and importance; Relationship between Planning and Controlling;

Management by Exception and span of control(meaning only).

(f) Coordination:

Meaning of Coordination; Coordination as an essence of Management.

3. Financing

(i) Business Finance and Financial Planning

(a) Meaning and basic functions of business finance- Investment, Financing, Dividend and Liquidity Decisions (IFDL).

(b) Importance of finance for business.

(c) Meaning, features and importance of financial planning.

(d) Factors affecting capital structure

(e) Fixed capital - meaning, factors affecting fixed capital.

(f) Working capital – meaning, types; factors affecting working capital.

(g) Comparison between fixed and working capital.

(ii) Sources of finance for a Joint Stock Company.

(a) Equity shares – meaning, features, advantages and disadvantages.

(b) Preference shares – meaning, features, types, advantages and disadvantages; distinction between equity shares and preference shares.

(c) Bonus and rights issue, Employee Stock Option Plan (ESOP) and Sweat Equity Shares, Qualified Institutional Placement - meaning. Distinction between bonus shares and right shares.

(d) Retained earnings – meaning, merits and demerits.

(e) Debentures – meaning, features types; advantages and disadvantages and Distinction between shares and debentures.

(f) Loans from Financial Institutions - meaning, advantages and disadvantages.

(g) Different types of short-term financial assistance by Commercial Banks (cash credit, discounting of bill of exchange, bank overdraft, short-term loan and advances)

(h) Other sources of short-term funds: public deposits, trade credit, customer advances, factoring, Inter corporate deposits- Meaning only.

(iii) Stock Exchange

(a) Meaning and importance of Stock Exchange.

(b) Role of Securities and Exchange Board of India (SEBI),

(c) Stock broker as an intermediary

(d) Terms used in Stock Exchange -SENSEX, NIFTY, IPO, spot delivery, forward delivery, Bull market, Bear market, ETF, FII

(e) Demat account- meaning only.

4. Marketing

(i) Marketing: Concept and functions.

Meaning and types of markets; modern marketing concepts: meaning and features importance of marketing

Functions of marketing – meaning, features of each function of marketing.

(ii) Marketing Mix: Meaning and Elements.

Product Mix: Meaning

Goods: Meaning, features, types

Services: Meaning and features

Difference between goods and services. Branding: Meaning and merits.

Labeling: Meaning and merits.

Packaging: Meaning and features of good packaging.

Price Mix: Meaning, factors determining price. Pricing strategies-cost plus pricing, competitive pricing, price-skimming, penetration pricing, value based pricing-(meaning only).

Place Mix: meaning.

Channels of distribution: Meaning and types

Physical distribution; meaning and elements (transportation, warehousing, order processing, inventory control- meaning only)

Promotion Mix: Meaning and elements.

Elements: Advertising, sales promotion, personal selling and public relations- meaning, features, and objectives.

Digital marketing, social media, influencer marketing (meaning only).

Product life cycle in marketing: Stages (product development, introduction, growth, maturity and decline), product life cycle extension strategies.

(iii) Consumer protection:

Need for consumer protection; methods of consumer protection (self-help, legislative methods and consumer associations/NGOs).

Consumer Protection Act, 2019 – Meaning of consumer, rights of consumers, responsibilities of consumers, remedies available and redressal mechanism (district commission, state commission and national commission).

The revised pecuniary jurisdiction according to Consumer Protection Rule 21 to be taken with reference to the Consumer Disputes Redressal Commissions (National, State and District). The Consumer Protection Act 2023 to be taken into consideration only with reference to misleading advertisements.

PAPER II (PROJECT WORK) : 20 MARKS

Candidates will be expected to have completed **two** projects from any topic covered in Theory. **The project should preferably be hand written and a hard copy should be submitted by the candidates.**

The project work will be assessed by the teacher and a Visiting Examiner appointed locally and approved by CISCE.

Mark allocation for **each** Project [10 marks]:

Overall format	1 mark
Content	4 marks
Findings	2 marks
Viva-voce based on the Project	3 marks

A list of suggested Projects is given below:

1. Collect newspaper/magazine clippings of five cases filed by consumers in the Consumer Court.

   Find out the rights violated, and the redressal mechanism used.

   What was the outcome of each case?

2. Select five different companies across varying industries such as I.T., textiles, FMCG, Health Care, etc., included in the SENSEX. Keeping a hypothetical base money of Rupees One Lakh, invest in the shares of the selected companies. The movement of share prices selected by you should be monitored over a period of one month on a daily basis. A uniform / standard practice of either using the opening price or the closing price on a particular day of the week should be used by all students in the class.

   At the end of the month, analyse your investment in a spread sheet and give reasons for your choice of scripts.

3. Explore the Life Story of a popular product: track its changes and growth over time using the product life cycle stages.

4. (a) Study the sources of recruitment and steps involved in the selection procedure adopted by two companies of the same industry.

   (b) Compare and evaluate the sources of recruitment and the selection process adopted by the selected companies.

5. Analyse a published case study done on any private sector business organisation. Explain the retrospective impact of the Business environment on the company. Conclude by suggesting any two business strategies for the company to survive in the present competitive market.
6. Formulate a capital plan for a hypothetical business organisation. Justify your formulated plan.
7. Choose two companies of the same industry. Study their organisational structure. Also give information with regard to:
   (i) Hierarchy
   (ii) Centralisation and delegation of authority
   (iii) Flow of information (scalar chain)
   (iv) Span of control
   (v) Channel of communication.
8. Select any business undertaking. Study the selected business in terms of ownership, capital and profitability. Make a S.W.O.T. analysis and present it in a tabular form.
9. Create and conduct a brief survey (5–7 questions) about how people perceive the two brands from same sector. Collect responses from at least 10–15 people, and present the results using bar or pie charts. Summarise what the survey shows about customer perception, brand loyalty, brand image and so on.
10. Study two successful corporate leaders: Compare their leadership styles and how they helped their companies succeed. Explore the leadership styles of two business icons and how their approaches helped achieve company goals.

NOTE: No question paper for Project Work will be set by CISCE.

SAMPLE TABLE FOR PROJECT WORK

S. No.	Unique Identification Number (Unique ID) of the candidate	PROJECT 1					PROJECT 2					TOTAL MARKS
		A	B	C	D	E	F	G	H	I	J	
		Teacher	Visiting Examiner	Average Marks (A + B ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (C + D)	Teacher	Visiting Examiner	Average Marks (F + G ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (H + I)	(E + J)
		7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	20 Marks
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												

*Breakup of 7 Marks to be awarded separately by the Teacher and the Visiting Examiner is as follows:		Name of Teacher: Signature: Date
Overall Format	1 Mark	
Content	4 Marks	Name of Visiting Examiner Signature: Date
Findings	2 Marks	

NOTE: VIVA-VOCE (3 Marks) for each Project is to be conducted only by the Visiting Examiner, and should be based on the Project only.