

## COMMERCIAL STUDIES (63)

### Aims:

1. To enable students to develop a perceptive, sensitive and critical response to the role of business in a global, national and local context.
2. To allow students to balance the demands of social parameters with individual aspirations.
3. To develop in students an appreciation for the roles of the entrepreneur and the professional manager.
4. To help develop a co-operative attitude through study of the organisation and participation associated with commerce and industry.
5. To provide an appropriate body of knowledge and understanding, and to develop appropriate skills as a basis for further study or work or both.

### CLASS IX

There will be **one** written paper of **two** hours duration carrying 80 marks and Internal Assessment of 20 marks.

The paper will be divided into **two** sections A and B.

**Section A (Compulsory)** will consist of questions requiring short answers and will cover the entire syllabus.

**Section B** will consist of questions, which will require detailed answers. There will be a choice and candidates will be required to answer **four** questions from this section.

#### 1. Introduction to commercial organization.

##### (a) Human activities

*Meaning and types – Economic and non-economic activities – classification of economic activities – business, profession and employment. Comparison between economic and non-economic activities.*

##### (b) Business activities

*Meaning and characteristics. Types of business activities – industry – classification of industries on the basis of products. Commerce – types of commerce – trade and aids to trade.*

*Brief description on various types of trade and aids to trade. Inter relationship between industry, commerce and trade needs to be covered.*

##### (c) Non-profit seeking organizations

*Meaning and types, comparison between profit seeking and non-profit seeking organisations.*

##### (d) Ownership structures of commercial organization

*Sole proprietorship, partnership, Hindu undivided family business, joint stock company, co-operative society, public sector enterprise. (Brief introduction to each ownership structure and its features only. Types, comparison between different ownership structures and their merits and demerits need not be covered).*

#### 2. Understanding the functions of a commercial organization.

The following topics should be studied as departments in a typical firm only:

##### (a) Marketing and Sales.

##### (b) Finance and Accounting.

##### (c) Human Resources (personnel, training).

##### (d) Production.

##### (e) Purchasing and Stores.

##### (f) General Administration and Legal.

*Students should be explained the concepts and functioning of - Purchasing and Stores, Production, Marketing and Sales, Finance - (manual and computerized accounting system in business organizations). Human Resources (personnel, training), & General Administration and Legal departments, affecting the organisation all through. All the six terms need to be clearly defined and their specific features explained*

individually. The cross linkages need to be clearly brought out.

This topic should be studied through the medium of a case study or a project. Such tools will make the students appreciate the inter-links.

**No question is to be set from this topic. Case study or project for this topic can form one of the assignments for “Internal Assessment”.**

### 3. Communication in commercial organization.

Meaning, characteristics, process, importance and different methods of communication.

*Different methods of communication (letter, facsimile, e-mail, videoconference, memo, telephonic conversation, etc.). A comparative analysis of these tools need to be undertaken.*

### 4. Introduction to Accounting and Book keeping.

#### (a) Meaning and objective

*Meaning and objective of accounting and book keeping, accounting cycle, distinction between accounting and book keeping.*

#### (b) Basic accounting terminology

*The following terms need to be defined and explained - Capital, liability, asset, revenue, expense, purchase, sales, stocks, debtors, creditors, drawings, debit and credit, discount.*

#### (c) Basic accounting principles and concepts.

*Business entity, money measurement, going concern, accounting period, dual aspect and accounting equation, matching principle, principle of full disclosure.*

#### (d) Journal

*Meaning and classification of accounts – (conventional and modern), rules of debit and credit.*

*Meaning, uses and limitations of journal. Recording of transactions in journal. (Simple numericals based on the terminology mentioned in part (b) need to be covered. Compound journal entries including cash discount, bad debts and opening and closing entries need **not** be covered).*

#### (e) Ledger

*Meaning, posting and balancing of ledger accounts. (Ledger posting on the basis of simple journal entries).*

#### (f) Trial balance

*Meaning, objectives and preparation of trial balance with the given set of ledger account balances.*

*(Re-drafting of trial balance need not be covered.)*

#### (g) Cash Book

*Meaning, types of cash books, preparation of single column cash book.*

### 5. Trade

#### (a) Trade - Home Trade and International trade

*Meaning and types of trade*

*Home trade - functions of retailers and wholesalers, types of retailers and wholesalers (features only).*

*International trade – meaning, types, advantages and disadvantages of international trade.*

#### (b) Issues of the Environment

##### (i) Types of pollution – air, water, soil, radiation and noise.

*Air pollution due to vehicles, industries, brick kilns, etc.*

*Water pollution: industrial waste, oil spills, urban- commercial and domestic waste.*

##### (ii) Effects of pollution on environment and human health.

*Bhopal Gas Tragedy; Chernobyl Disaster.*

##### (iii) Abatement of pollution

*Air: setting standards and implementing them, using technical devices to reduce pollution.*

*Water: Proper collection and disposal of domestic sewage, treatment of industrial waste to yield safe effluents, etc.*

##### (iv) Management of waste in industrial and commercial establishments.

Sources of waste - *domestic, industrial, agricultural, commercial and other establishments.*

Domestic waste: *paper, glass, plastic, rags, kitchen waste, etc.*

Industrial: *mining operations, cement factories, oil refineries, construction units.*

Agricultural: *plant remains, animal waste, processing waste.*

Municipal: *sewage, degradable and non-degradable waste from offices, etc.*

(v) Methods of safe disposal of waste.

Basic understanding of: segregation, dumping, composting, drainage, treatment of effluents before discharge.

## CLASS X

There will be **one** written paper of **two** hours duration carrying 80 marks and Internal Assessment of 20 marks.

The paper will be divided into **two** sections A and B.

**Section A (Compulsory)** will consist of questions requiring short answers and will cover the entire syllabus. There will be no choice of questions.

**Section B** will consist of questions, which will require detailed answers. There will be a choice and candidates will be required to answer **four** questions from this section.

### 1. Stakeholders in Commercial Organisations

- (a) Distinction between stakeholders and customers.

*Explain all the six stakeholders of a firm - shareholder, creditor, supplier, employee, government and society.*

*It should be stressed that customer, though very important for any firm is not a stakeholder as he does not have a stake in the firm.*

- (b) Internal and external stakeholders.

*Stakeholders within and outside the firm need to be explained. The six stakeholders need to be classified as internal and external stakeholders.*

- (c) Expectations of stakeholders – employers (owners and managers), employees, associates, and the general public.

*The student must understand that each of these stakeholders is equally important and any one of them cannot be satisfied at the cost of the other one.*

### 2. Communication

- (a) Meaning and types

*Verbal and non-verbal communication, formal and informal communication. (merits, demerits and suitability).*

- (b) Interpersonal skills in communication

*Skills required for effective communication and barriers causing breakdown in communication and measures to overcome the barriers.*

### 3. Marketing

- (a) Marketing

*Meaning, objectives, importance and functions of marketing.*

- (b) Product and service

*Meaning, types and difference between a product and a service (with examples).*

- (c) Marketing research

*Meaning, role and methods of marketing research.*

- (d) Advertising and sales promotion

*Advertising – meaning, importance of advertising, merits and demerits, difference between advertising and publicity, advertising media. Code of conduct for advertisers.*

*Sales promotion – meaning and techniques.*

*Brand and Trademarks – their meaning, brand promotion – meaning and techniques, brand equity and brand loyalty.*

- (e) Sales and the selling process, including the difference between marketing and sales, qualities of a good salesman. Consumer Protection Act – 1986, need for consumer protection, features of the Act and rights of the consumer.

*Explanation and examples.*

### 4. Finance and accounting

- (a) Capital and revenue

*Capital and revenue receipts, capital and revenue expenditure and deferred revenue expenditure.*

- (b) Final accounts of a sole trader

*Meaning and **preparation of Trading account, Profit and Loss account and Balance sheet** based on the given trial balance with the adjustment of closing stock **only**. (Preparation of manufacturing account, profit and loss on sale of assets, intangible and fictitious assets, prepaid and accrued expenses and incomes are excluded.)*

(c) Non-profit organizations  
*Simple understanding of receipts and payments account, income and expenditure account and balance sheet. Only features and comparison with final accounts of trading organization. No numerical problems.*

(d) Fundamental concept of Cost (direct, variable, etc.)

*Classification of costs needs to be explained, based on behaviour (fixed, variable, semi-variable), nature (direct, indirect), controllability and functionality.*

(e) Budgeting

Meaning and utility of budgeting, comparison between budgeting and forecasting, budgets – (meaning and types).

(f) Banking – functions of the Central Bank and commercial banks, types of accounts and documents used in banking transactions.

*Central Bank and commercial banks: role in the economic development. Types of commercial banks now present in India (public sector commercial banks, private sector commercial banks, foreign commercial banks); the types of accounts and some basic documents used in banking transactions ( pass book, cheques, pay-in-slips, bank drafts, traveller's cheques, debit and credit cards), ATM need to be clearly explained. Credit Control measures used by the Central Bank to be excluded.*

## 5. Human Resources

(a) Recruitment, selection and training.

(i) *Recruitment - meaning, sources, advantages and disadvantages of different sources,*

(ii) *Selection- meaning and steps, types of selection test,*

(iii) *Training – meaning, objectives, importance, types and methods of training (performance appraisal is excluded).*

(b) Simple understanding of industrial relations and the role of trade unions. Concept-of Social Security - including brief reference to Provident Fund, Gratuity, Pension, Group Insurance and Maternity Benefits.

*Self-explanatory.*

*(Acts are not required).*

## 6. Logistics and Insurance

(a) Transportation

*Means of transportation (land, air and water), merits, demerits and suitability.*

(b) Warehousing

*Meaning, importance, types and documents used.*

(c) Insurance

*Meaning, importance and principles.*

(d) Striving for a better environment

(i) *Community participation and public awareness programmes for ecological restoration and conservation like The Chipco Andolan (Movement).*

(ii) Use of efficient and eco-friendly technology and the sustainable use of resources.

*Eco efficiency would mean reduction in the amount of raw material used, reduction in energy used, reducing pollution, recycling material, renewable materials and ensuring that goods are durable. Judicious use of resources keeping the future in mind.*

(iii) Environmental values and ethics

*Choose to carry cloth bags, use organic manure. Clean surroundings, respect for other people's things. Developing an ethical environmental consciousness e.g. refusing use of polybags, styrofoam containers, etc; reusing: plastic and glass containers; recycling: e.g. paper – this will reduce demand on wood and save trees.*

## INTERNAL ASSESSMENT

A minimum of three assignments are to be done during the year, as assigned by the teacher.

## EVALUATION

The project work is to be evaluated by the subject teacher and by an External Examiner. The External Examiner shall be nominated by the Head of the school and may be a teacher from the faculty, **but not teaching the subject in the relevant section/class**. For example, a teacher of Commerce/Accounts of Class XI may be deputed to be the External Examiner for Class X Commercial Studies project work.

The Internal Examiner and the External Examiner will assess the candidate's work independently.

Award of marks (20 marks)

Subject Teacher (Internal Examiner) 10 marks

External Examiner 10 marks

The total mark obtained out of 20 are to be sent to the Council by the Head of the school.

The Head of the school will be responsible for the entry of marks on the mark sheets provided by the Council.

**INTERNAL ASSESSMENT IN COMMERCIAL STUDIES - GUIDELINES FOR MARKING WITH GRADES**

<b>Criteria</b>	<b>Planning</b>	<b>Organisation</b>	<b>Observation</b>	<b>Understanding</b>	<b>Presentation</b>	<b>Marks</b>
Grade I	The candidate chooses the right model. The collection of information and relevant data is very appropriate.	The candidate does comprehensive reference work. Shows ability to analyze and assemble the material collected.	The candidate can make excellent deductions from the data collected. The deductions thus made are recorded very appropriately.	The candidate shows remarkable ability to comprehend the complexities of various commercial functions. Can analyze the data and construct a suitable model.	Methodical, precise and clarity of expression. Neat and tidy presentation. Optimum utilization of skills.	4 marks for each criterion
Grade II	The candidate chooses a suitable model. The information and data collected is appropriate.	The candidate does sufficient reference work. Requires guidance to analyze and assemble the material collected.	The candidate makes adequate deductions from data collected. Is able to record the same with clarity.	The candidate displays the ability to understand but cannot fully correlate it with practical applications.	Work - neat and tidy. Presented clearly and methodically. Techniques used are appropriate.	3 marks for each criterion
Grade III	The candidate selects an appropriate model but the information and data collected is inadequate.	The candidate displays limited reference work. Poor ability to analyze and assemble the material collected.	The candidate makes deductions with help and guidance. Recording is appropriate.	The candidate shows limited capacity to grasp the intricacies of various commercial functions.	Standard presentation of work but disorganised in places. Writing untidy in places. Reasonably clear.	2 marks for each criterion
Grade IV	The candidate requires guidance to select a model and gather relevant information pertaining to it.	The candidate has done very little reference work and is unable to organise the material collected.	The candidate has minimum ability to analyze the data collected.	The candidate is able to understand the complexities of various commercial issues with guidance.	Sequence of work acceptable. Not very neat. Presentation poor.	1 mark for each criterion
Grade V	The candidate is unable to select a model or gather relevant information pertaining to it.	The candidate is unable to do any reference work at all. Information collected is too meager to do any meaningful assignment.	The candidate is unable to analyze the data collected or make any observations.	The candidate is unable to understand the complexities of various commercial issues even with guidance.	Data presented untidy and disorganised. Effort and initiative lacking.	0 mark for each criterion