

Commercial Studies Syllabus

There is one written paper of two hours duration carrying 80 marks and Internal Assessment of 20 marks. The paper is divided into two sections: A and B.

Section A (Compulsory) consists of questions requiring short answers and covers the entire syllabus. There is no choice of questions. Section B consists of questions, which require detailed answers. There is a choice and you are 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, semivariable), 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.