Business Studies (Subject Code 054)

Class-XII (2026-27)

Theory: 80 Marks **3 Hours**
Project: 20 Marks

Units		Marks
Part A	**Principles and Functions of Management**	
1.	Nature and Significance of Management	16
2	Principles of Management	
3	Business Environment	
4	Planning	14
5	Organising	
6	Staffing	20
7	Directing	
8	Controlling	
	Total	**50**
Part B	**Business Finance and Marketing**	
9	Financial Management	15
10	Financial Markets	
11	Marketing Management	15
12	Consumer Protection	
	Total	**30**
Part C	**Project Work (One)**	**20**

Part A: Principles and Functions of Management

Unit 1: Nature and Significance of Management

Concept	**After going through this unit, the student/ learner would be able to:**
Management - concept, objectives, and importance	• Understand the concept of management. • Explain the meaning of 'Effectiveness and Efficiency. • Discuss the objectives of management. • Describe the importance of management.
Management as Science, Art and Profession	• Examine the nature of management as a science, art and profession.
Levels of Management	• Understand the role of top, middle and lower levels of management
Management functions-planning, organizing, staffing, directing and controlling	• Explain the functions of management
Coordination- concept and importance	• Discuss the concept and

	characteristics of coordination. • Explain the importance of coordination.

Unit 2: Principles of Management

Principles of Management - concept and significance	• Understand the concept of principles of management. • Explain the significance of management principles.
Fayol's principles of management	• Discuss the principles of management developed by Fayol.
Taylor's Scientific management - principles and techniques	• Explain the principles and techniques of 'Scientific Management'. • Compare the contributions of Fayol and Taylor.

Unit 3: Business Environment

Business Environment- concept and importance	• Understand the concept of 'Business Environment'. • Describe the importance of business environment
Dimensions of Business Environment - Economic, Social, Technological, Political and Legal Demonetization - concept and features	• Describe the various dimensions of 'Business Environment'. • Understand the concept of demonetization

Unit 4: Planning

Planning: Concept, importance and limitation	• Understand the concept of planning. • Describe the importance of planning. • Understand the limitations of planning.
Planning process	• Describe the steps in the process of planning.
Single use and Standing Plans. Objectives, Strategy, Policy, Procedure, Method, Rule, Budget and Programme	• Develop an understanding of single use and standing plans • Describe objectives, policies, strategy, procedure, method, rule, budget and programme as types of plans.

Unit 5: Organising

Organising: Concept and importance	• Understand the concept of organizing as a structure and as a

	process. • Explain the importance of organising.
Organising Process	• Describe the steps in the process of organizing
Structure of organisation- functional and divisional concept. Formal and informal organization - concept	• Describe functional and divisional structures of organisation. • Explain the advantages, disadvantages and suitability of functional and divisional structure. • Understand the concept of formal and informal organisation. • Discuss the advantages, disadvantages of formal and informal organisation.
Delegation: concept, elements and importance	• Understand the concept of delegation. • Describe the elements of delegation. • Appreciate the importance of Delegation.
Decentralization: concept and importance	• Understand the concept of decentralisation. • Explain the importance of decentralisation. • Differentiate between delegation and decentralisation.

Unit 6: Staffing

Staffing: Concept and importance of staffing	• Understand the concept of staffing. • Explain the importance of staffing
Staffing as a part of Human Resource Management concept	• Understand the specialized duties and activities performed by Human Resource Management
Staffing process	• Describe the steps in the process of staffing
Recruitment process	• Understand the meaning of recruitment. • Discuss the sources of recruitment. • Explain the merits and demerits of internal and external sources of recruitment.
Selection – process	• Understand the meaning of selection. • Describe the steps involved in the process of selection.
Training and Development - Concept and importance, Methods of training - on the	• Understand the concept of training and development.

job and off the job - vestibule training, apprenticeship training and internship training	• Appreciate the importance of training to the organisation and to the employees. • Discuss the meaning of induction training, vestibule training, apprenticeship training and internship training. • Differentiate between training and development. • Discuss on the job and off the job methods of training.

Unit 7: Directing

Directing: Concept and importance	• Describe the concept of directing. • Discuss the importance of directing
Elements of Directing	• Describe the various elements of directing
Motivation - concept, Maslow's hierarchy of needs, Financial and non-financial incentives	• Understand the concept of motivation. • Develop an understanding of Maslow's Hierarchy of needs. • Discuss the various financial and non-financial incentives.
Leadership - concept, styles - authoritative, democratic and laissez faire	• Understand the concept of leadership. • Understand the various styles of leadership.
Communication - concept, formal and informal communication; barriers to effective communication, how to overcome the barriers?	• Understand the concept of communication • Understand the elements of the communication process. • Discuss the concept of formal and informal communication. • Discuss the various barriers to effective communication. • Suggest measures to overcome barriers to communication.

Unit 8: Controlling

Controlling - Concept and importance	• Understand the concept of controlling. • Explain the importance of controlling.
Relationship between planning and controlling	• Describe the relationship between planning and controlling
Steps in process of control	• Discuss the steps in the process of controlling.

Part B: Business Finance and Marketing

Unit 9: Financial Management

Financial Management: Concept, role and objectives	• Understand the concept of financial management. • Explain the role of financial management in an organisation. • Discuss the objectives of financial management
Financial decisions: investment, financing and dividend - Meaning and factors affecting	• Discuss the three financial decisions and the factors affecting them.
Financial Planning - concept and importance	• Describe the concept of financial planning and its objectives. • Explain the importance of financial planning.
Capital Structure – concept and factors affecting capital structure	• Understand the concept of capital structure. • Describe the factors determining the choice of an appropriate capital structure of a company.
Fixed and Working Capital - Concept and factors affecting their requirements	• Understand the concept of fixed and working capital. • Describe the factors determining the requirements of fixed and working capital.

Unit 10: Financial Markets

Financial Markets: Concept	• Understand the concept of financial market.
Money Market: Concept	• Understand the concept of money market.
Capital market and its types (primary and secondary)	• Discuss the concept of capital market. • Explain primary and secondary markets as types of capital market. • Differentiate between capital market and money market. • Distinguish between primary and secondary markets.
Stock Exchange - Functions and trading procedure	• Give the meaning of a stock exchange. • Explain the functions of a stock exchange. • Discuss the trading procedure in a stock exchange.

	• Give the meaning of depository services and demat account as used in the trading procedure of securities.
Securities and Exchange Board of India (SEBI) - objectives and functions	• State the objectives of SEBI. • Explain the functions of SEBI.

Unit 11: Marketing

Marketing – Concept, functions and philosophies	• Understand the concept of marketing. • Explain the features of marketing. • Discuss the functions of marketing. • Explain the marketing philosophies.
Marketing Mix – Concept and elements	• Understand the concept of marketing mix. • Describe the elements of marketing mix.
Product – branding, labelling and packaging – Concept	• Understand the concept of product as an element of marketing mix. • Understand the concept of branding, labelling and packaging.
Price - Concept, Factors determining price	• Understand the concept of price as an element of marketing mix. • Describe the factors determining price of a product.
Physical Distribution – concept, components and channels of distribution	• Understand the concept of physical distribution. • Explain the components of physical distribution. • Describe the various channels of distribution.
Promotion – Concept and elements; Advertising, Personal Selling, Sales Promotion and Public Relations	• Understand the concept of promotion as an element of marketing mix. • Describe the elements of promotion mix. • Understand the concept of advertising. • Understand the concept of sales promotion. • Discuss the concept of public relations.

Unit 12: Consumer Protection

Consumer Protection: Concept and importance	• Understand the concept of consumer protection. • Describe the importance of

	consumer protection. • Discuss the scope of Consumer Protection Act, 2019
The Consumer Protection Act, 2019: *Source:* http://egazette.nic.in/WriteReadData/2019/210422.pdf Meaning of consumer Rights and responsibilities of consumers Who can file a complaint? Redressal machinery Remedies available	• Understand the concept of a consumer according to the Consumer Protection Act, 2019. • Explain the consumer rights • Understand the responsibilities of consumers • Understand who can file a complaint and against whom? • Discuss the legal redressal machinery under Consumer Protection Act, 2019. • Examine the remedies available to the consumer under Consumer Protection Act, 2019.
Consumer awareness - Role of consumer organizations and Non-Governmental Organizations (NGOs)	• Describe the role of consumer organizations and NGOs in protecting consumers' interests.

Unit 13: Project Work

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**

CLASS XII: GUIDELINES FOR TEACHERS

Students are supposed to select one unit out of four and are required to make only **ONE project** from the selected unit. (Consist of one project of 20 marks)

1. Help students to select any ONE Topic for the entire year.
2. The topic should be assigned after discussion with the students in the class and should then be discussed at every stage of the submission of the project.

   The teacher should play the role of a facilitator and should closely supervise the process of project completion. The teachers must ensure that the project work assigned to the students whether individually or in group are discussed at different stages right from assignment to drafts review and finalization. Students should be facilitated in terms of providing relevant materials or suggesting websites, or obtaining required permissions from business houses, malls etc for their project. The periods assigned to the Project Work should be suitably spaced throughout the academic session. The teachers MUST ensure that the student actually go through the rigors and enjoy the process of doing the project rather than depending on any readymade material available outside.

3. The students must make a presentation of the project before the class.
4. The teachers must ensure that the student's self-esteem and creativity is enhanced and both the teacher and the student enjoy this process.
5. The teachers should feel pride in the fact that they have explored the different dimensions of the project in an innovative way and their students have put in genuine work.

I. Project One: Elements of Business Environment
The teachers should help the students in selecting any one element of the following:

1. Changes witnessed over the last few years on mode of packaging and its economic impact. The teacher may guide the students to identify the following changes:
a) The changes in transportation of fruits and vegetables such as cardboard crates being used in place of wooden crates, etc. Reasons for above changes.
b) Milk being supplied in glass bottles, later in plastic bags and now in tetra-pack and through vending machines.
c) Plastic furniture [doors and stools] gaining preference over wooden furniture.
d) The origin of cardboard and the various stages of changes and growth.
e) Brown paper bags packing to recycled paper bags to plastic bags and cloth bags.
f) Re use of packaging [bottles, jars and tins] to attract customers for their products.
g) The concept of pyramid packaging for milk.
h) Cost being borne by the consumer/manufacturer.
i) Packaging used as means of advertisements.

2. The reasons behind changes in the following:
Coca – Cola and Fanta in the seventies to Thums up and Campa Cola in the eighties to Pepsi and Coke in nineties.
The teacher may guide the students to the times when India sold Coca Cola and Fanta which were being manufactured in India by the foreign companies.

The students may be asked to enquire about
a) Reasons of stopping the manufacturing of the above mentioned drinks in India THEN.
b) The introduction of Thums up and Campa cola range.
c) Re entry of Coke and introduction of Pepsi in the Indian market.
d) Factors responsible for the change.
e) Other linkages with the above.
f) Leading brands and the company having the highest market share.
g) Different local brands venturing in the Indian market.
h) The rating of the above brands in the market.
i) The survival and reasons of failure in competition with the international brands.
j) Other observations made by the students

The teacher may develop the following on the above lines

3. Changing role of the women in the past 25 years relating to joint families, nuclear families, women as a bread earner of the family, changes in the requirement trend of mixers, washing machines, micro wave and standard of living.
4. The changes in the pattern of import and export of different Products.
5. The trend in the changing interest rates and their effect on savings.
6. A study on child labour laws, its implementation and consequences.
7. The state of ‘anti plastic campaign,’ the law, its effects and implementation.
8. The laws of mining /setting up of industries, rules and regulations, licences required for running that business.
9. Social factors affecting acceptance and rejection of an identified product. (Dish washer, Atta maker, etc)
10. What has the effect of change in environment on the types of goods and services?
The students can take examples like:
a) Washing machines, micro waves, mixers and grinder.
b) Need for crèche, day care centre for young and old.
c) Ready to eat food, eating food outside, and tiffin centres.

11. Change in the man-machine ratio with technological advances resulting in change of cost structure.
12. Effect of changes in technological environment on the behaviour of employee.

II. Project Two: Principles of Management

The students are required to visit any one of the following:
1. A departmental store.
2. An Industrial unit.
3. A fast food outlet.
4. Any other organisation approved by the teacher.

They are required to observe the application of the general Principles of management advocated by Fayol.

Fayol's principles
1. Division of work.
2. Unity of command.
3. Unity of direction.
4. Scalar chain
5. Espirit de corps
6. Fair remuneration to all.
7. Order.
8. Equity.
9. Discipline
10. Subordination of individual interest to general interest.
11. Initiative.
12. Centralisation and decentralisation.
13. Stability of tenure.
14. Authority and Responsibility

OR

They may enquire into the application of scientific management techniques by F.W. Taylor in the unit visited.

Scientific techniques of management.
1. Functional foremanship.
2. Standardisation and simplification of work.
3. Method study.
4. Motion Study.
5. Time Study.
6. Fatigue Study
7. Differential piece rate plan.

Tips to teacher

(i) The teacher may organize this visit.
(ii) The teacher should facilitate the students to identify any unit of their choice and guide them to identify the principles that are being followed.
(iii) Similarly they should guide the students to identify the techniques of scientific management implemented in the organisation.
(iv) It may be done as a group activity.

(v) The observations could be on the basis of

- The different stages of division of work resulting to specialisation.
- Following instructions and accountability of subordinates to higher authorities.
- Visibility of order and equity in the unit.
- Balance of authority and responsibility.
- Communication levels and pattern in the organisation.
- Methods and techniques followed by the organisation for unity of direction and coordination amongst all.
- Methods of wage payments followed. The arrangements of fatigue study.
- Derivation of time study.
- Derivation and advantages of method study.
- Organisational chart of functional foremanship.
- Any other identified in the organisation

vi. It is advised that students should be motivated to pick up different areas of visit. As presentations of different areas in the class would help in better understanding to the other students.

vii. The students may be encouraged to develop worksheets. Teachers should help students to prepare observation tools to be used for undertaking the project.

Examples; worksheets, questionnaire, interviews and organisational chart etc.

III. Project Three: Stock Exchange

The purpose of this project is to teach school students the values of investing and utilising the stock market. This project also teaches important lessons about the economy, mathematics and financial responsibility.

The basis of this project is to learn about the stock market while investing a specified amount of fake money in certain stocks. Students then study the results and buy and sell as they see fit.

This project will also guide the students and provide them with the supplies necessary to successfully monitor stock market trends and will teach students how to calculate profit and loss on stock.

The project work will enable the students to:

- understand the topics like sources of business finance and capital market
- understand the concepts used in stock exchange
- inculcate the habit of watching business channels, reading business journals/newspapers and seeking information from their elders.

The students are expected to:

a) Develop a brief report on History of Stock Exchanges in India. (your country)

b) Prepare a list of at least 25 companies listed on a Stock Exchange.

c) To make an imaginary portfolio totalling a sum of Rs. 50,000 equally in any of the 5 companies of their choice listed above over a period of twenty working days.

The students may be required to report the prices of the stocks on daily basis and present it diagrammatically on the graph paper.

- They will understand the weekly holidays and the holidays under the Negotiable Instruments Act.

  They will also come across with terms like closing prices, opening prices, etc.

 During this period of recording students are supposed to distinctively record the daily and starting and closing prices of the week other days under the negotiable instrument act so that they acquire knowledge about closing and opening prices.
 The students may conclude by identifying the causes in the fluctuations of prices. Normally it would be related to the front page news of the a business journal, for example,
 Change of seasons.
 Festivals.
 Spread of epidemic.
 Strikes and accidents
 Natural and human disasters.
 Political environment.
 Lack of faith in the government policies.
 Impact of changes in government policies for specific industry.
 International events.
 Contract and treaties at the international scene.
 Relations with the neighbouring countries.
 Crisis in developed countries, etc.

The students are expected to find the value of their investments and accordingly rearrange their portfolio. The project work should cover the following aspects;
1. Graphical presentation of the share prices of different companies on different dates.
2. Change in market value of shares due to change of seasons, festivals, natural and human disasters.
3. Change in market value of shares due to change in political environment/ policies of various countries/crisis in developed countries or any other reasons
4. Identify the top ten companies out of the 25 selected on the basis of their market value of shares.
It does not matter if they have made profits or losses.

IV. Project Four: Marketing

1. Adhesives
2. Air conditioners
3. Baby diapers
4. Bathing Soap
5. Bathroom cleaner
6. Bike
7. Blanket
8. Body Spray
9. Bread
10. Breakfast cereal
11. Butter
12. Camera
13. Car
14. Cheese spreads
15. Chocolate
16. Coffee
17. Cosmetology product
18. Crayons
19. Crockery
20. Cutlery
21. Cycle
22. DTH
23. Eraser
24. e-wash
25. Fairness cream
26. Fans
27. Fruit candy
28. Furniture
29. Hair Dye
30. Hair Oil
31. Infant dress
32. Inverter
33. Jams
34. Jeans
35. Jewellery
36. Kurti
37. Ladies bag
38. Ladies footwear

39. Learning Toys
40. Lipstick
41. Microwave oven
42. Mixers
43. Mobile
44. Moisturizer
45. Music player
46. Nail polish
47. Newspaper
48. Noodles
49. Pen
50. Pen drive
51. Pencil
52. Pickles
53. Razor
54. Ready Soups
55. Refrigerator
56. RO system
57. Roasted snacks
58. Salt
59. Sarees
60. Sauces/ Ketchup
61. Shampoo
62. Shaving cream
63. Shoe polish
64. Shoes
65. Squashes
66. Suitcase/ airbag
67. Sunglasses
68. Tea
69. Tiffin Wallah
70. Toothpaste
71. Wallet
72. Washing detergent
73. Washing machine
74. Washing powder
75. Water bottle
76. Water storage tank
77. Wipes

Any more as suggested by the teacher.

The teacher must ensure that the identified product should not be items whose consumption/use is discouraged by the society and government like alcohol products/pan masala and tobacco products, etc.

Identify one product/service from the above which the students may like to manufacture/provide [pre-assumption].

Now the students are required to make a project on the identified product/service keeping in mind the following:
1. Why have they selected this product/service?
2. Find out ‘5’ competitive brands that exist in the market.
3. What permission and licences would be required to make the product?
4. What are your competitors Unique Selling Proposition.[U.S.P.]?
5. Does your product have any range give details?
6. What is the name of your product?
7. Enlist its features.
8. Draw the ‘Label’ of your product.
9. Draw a logo for your product.
10. Draft a tag line.
11. What is the selling price of your competitor’s product?
(i) Selling price to consumer
(ii) Selling price to retailer
(iii) Selling price to wholesaler

What is the profit margin in percentage to the
- Manufacturer.
- Wholesaler.
- Retailer.

12. How will your product be packaged?
13. Which channel of distribution are you going to use? Give reasons for selection?
14. Decisions related to warehousing, state reasons.
15. What is going to be your selling price?
    (i) To consumer
    (ii) To retailer
    (iii) To wholesaler
16. List 5 ways of promoting your product.
17. Any schemes for
    (i) The wholesaler
    (ii) The retailer
    (iii) The consumer
18. What is going to be your 'U.S.P?
19. What means of transport you will use and why?
20. Draft a social message for your label.
21. What cost effective techniques will you follow for your product.
22. What cost effective techniques will you follow for your promotion plan.

At this stage the students will realise the importance of the concept of marketing mix and the necessary decision regarding the four P's of marketing.

- Product
- Place
- Price
- Promotion

On the basis of the work done by the students the project report should include the following:

1. Type of product /service identified and the (consumer/industries) process involve there in.
2. Brand name and the product.
3. Range of the product.
4. Identification mark or logo.
5. Tagline.
6. Labeling and packaging.
7. Price of the product and basis of price fixation.
8. Selected channels of distribution and reasons thereof.
9. Decisions related to transportation and warehousing. State reasons.
10. Promotional techniques used and starting reasons for deciding the particular technique.
11. Grading and standardization.

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 length of the project will be of 25 to 30 pages.
2. The project should be handwritten.
3. The project should be presented in a neat folder.
4. The project report should be developed in the following sequence-
    - Cover page should include the title of the Project, student information, school and year.

 List of contents.
 Acknowledgements and preface (acknowledging the institution, the places visited and the persons who have helped).
 Introduction.
 Topic with suitable heading.
 Planning and activities done during the project, if any.
 Observations and findings of the visit.
 Conclusions (summarized suggestions or findings, future scope of study).
 Photographs (if any).
 Appendix
 Teacher's observation.
 Signatures of the teachers.
 At the completion of the evaluation of the project, it should be punched in the centre so that the report may not be reused but is available for reference only.
 The project will be returned after evaluation. The school may keep the best projects.

ASSESSMENT

Allocation of Marks = 20 Marks

The marks will be allocated under 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**

Suggested Question Paper Design
Business Studies (Subject Code 054)

Class XII (2026-27)

Marks: 80 **Duration: 3 hrs.**

SN	Typology of Questions	Marks	Percentage
1	**Remembering and Understanding**: Exhibit memory of previously learned material by recalling facts, terms, basic concepts, and answers. Demonstrate understanding of facts and ideas by organizing, comparing, translating, interpreting, giving descriptions, and stating main ideas	32	40%
2	**Applying**: Solve problems to new situations by applying acquired knowledge, facts, techniques and rules in a different way	24	30%
3	**Analysing, Evaluating and Creating:** Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalizations. Present and defend opinions by making judgments about information, validity of ideas, or quality of work based on a set of criteria. Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions.	24	30%
	Total	**80**	**100%**