

NIOS lesson adaptation project

By EMBRACE Volunteers

(A community initiative of Harchan Foundation Trust)

Chapter 1

NATURE AND SCOPE OF BUSINESS

(Printable Version)

- **Simplified Lesson**
- **Previous Year Questions with Answers**
- **Terminal Questions**

This project is aimed at supporting children with different needs. Information provided is adapted to the best of knowledge by the volunteers. For complete information please refer to the NIOS resources in <https://www.nios.ac.in/online-course-material/secondary-courses.aspx>.

LESSON 1

NATURE AND SCOPE OF BUSINESS

Human activities

1. Economic activities
2. Non- economic

Economic Activities

- An activity which are performed with the objective to earn money
- Examples
 - Farmers grow crops to sell them
 - Factory or office employees work and get wages or salary
 - A business person earns profit through buying and selling of goods or services.

Non- economic Activities

- The activities which are performed not to earn money but to get some satisfaction
- Activities are performed to discharge social obligation or for physical fitness or for recreation
- Examples
 - Visiting places of worship
 - Providing relief to the victims of flood and earthquake
 - Engaging in sports activities
 - Gardening
 - Listening to radio or watching television

Difference between economic and non-economic activities

BASIS	Economic activities	Non-economic activities
PURPOSE	Earning motive	Social and Psychological motive
Outcome	Lead to creation of wealth and assets	Lead to satisfaction and happiness
Expectation	People expect profits or money income.	People don't expect profits or money income
Consideration	They are guided by rational consideration they involve the use of scarce economic resources such as land, labour, capital etc	They are motivated by emotional and sentimental reasons. No economic consideration is involved

Types of economic activities

1. Business
2. Profession
3. Employment

BUSINESS

- Goods and services are produced and sold in return of money
- Primary objective is to make profit
- Examples
 - Mining
 - Manufacturing
 - Trading
 - Transporting
 - Storing
 - Banking and insurance

PROFESSION

- A person who specializes in one field
- An occupation which requires specialized knowledge and training to pursue it.
- Primary objective is to provide service
- Profession
 - Is regulated by professional body
 - There is code of conduct developed by concerned professional body
 - Examples of profession are doctor, lawyers etc

EMPLOYEMENT

- An occupation in which a person works regularly for another and get wages or salary in return.
- Examples are Government servants, company executives, bank officials, factory workers
- Employment terms and conditions
 - Hours of work
 - Amount of wages/salary
 - Other facilities
 - Employer decides on the terms and conditions.
 - The employee should agree on the terms and conditions
 - Remuneration is fixed and is paid in terms of salary or wages.

Meaning of business

- Business refers to any human activity under taken on regular basis with the objective of earning profit through production, distribution, sale or purchase of goods and services.

Characteristics of business

1. Deals in goods and services.
2. Sale or exchange of goods and services
3. Regular exchange of goods and services
4. Requires investment
5. Aims at earning profit
6. Involves risk and uncertainty of income

1. Deals in goods and services

People are engaged in production and distribution of goods and services

- Consumer goods -bread, butter, milk ,tea
- Capital goods – plant, machinery, equipments
- Services - transportation, banking, insurance, warehousing, advertising.

2. Sale or exchange of goods and services

The goods and services produced or purchased must be exchanged for money or for goods between buyers and sellers.

3. Regular exchange of goods and services

The production or buying and selling activities should be carried out on regular basis.

Example

Raju sells his old car to Hari is not a business.

Raju keeps buying and selling car regularly then it is business

1. Requires Investment:

There should be some amount of investment in terms of land, labour or capital. It is utilized to produce a variety of goods and services for distribution and consumption.

2. Aim at earning profit.

- Primary objective is to earn profit.
- Without profit they cannot survive for a long period.
- Profit also help in growth and expansion of business

3. Involves risk and uncertainty of business:

- Businessman investing in business expects fair amount of return
- They enjoy profit also

- At times there are situations they suffer heavy loss
- This happens because of uncertain future and no control over certain factors.

CLASSIFICATION OF OBJECTIVES OF BUSINESS

1. Economic Objectives

The primary objective of business is earning profit. In order to achieve primary objective, the other objectives have to be pursued.

- Profit earning primary objective.
 - ✓ Other objectives also have to be achieved
- Creation of customer.
 - ✓ Done by creating various marketing activities
- Continuous innovation.
 - ✓ Continuous improvement in products
- Best possible use of resources.
 - ✓ Resources like men, machine, materials and money

2. Social objectives:

- Production and supply of quality goods and services.

The objective of business produces better quality of goods and supplies them at right time and right place.

- Adoption of fair trade practices.
Hoarding, black marketing, and over charging should not be done
- Contribution to the general welfare of the society.
Upliftment of society by running schools, colleges, vocational training centres, hospitals, parks and sport complexes

3. Human Objectives

- Economic wellbeing of the employees.
 - ✓ Employees must be provided with fair remuneration, incentives, and other benefits
- Social and psychological satisfaction of employees.
 - ✓ By making job interesting and challenging and considering their suggestions.
- Development of human resources.
 - ✓ Proper training to improve their skills and abilities
- Well being of socially and economically backward people.
 - ✓ Which is done by vocational training , awarding the scholarship for higher studies

4. National objectives

- Creation of employment.
 - ✓ By establishing new business units and widening distribution channels.

- Promotion of social justice.
 - ✓ Provide equal opportunity to all persons.
- Production according to national priority.
 - Production and supply of essential goods at reasonable prices.
- Contribute to the revenue of the country.
 - ✓ Pay their taxes and dues honestly and regularly.
- Self -sufficiency and Export Promotion.
 - ✓ Restricting import and aim to increase export which adds revenue to the country.

5. Global objectives

- Raise general standard of living.
 - ✓ The people of one country get similar types of goods that people in other country using.
- Reduce disparities among nations.
 - ✓ Helps to reduce disparities among rich and poor.
- Make available globally competitive goods and services.
 - ✓ Business should produce goods and services which are globally competitive

SOCIAL RESPONSIBILITY OF BUSINESS

Responsibility towards Different Interest Groups (Obligations of Business)

1. Responsibility towards owners and investor

The primary responsibility of business towards its owners is to

- a. Run the business efficiently
- b. Proper utilization of capital and other resources
- c. Growth and appreciation of capital
- d. Regular and fair return on capital invested
- e. Ensuring safety of their investment
- f. Regular payments of interest and
- g. Timely repayment of principal amount

2. Responsibility towards creditors

- a. To make payment timely
- b. To ensure safety of credit allowed by them and
- c. To follow norms of business as followed by others

3. Responsibility towards employees

The responsibility of business towards its employees include

- a. Timely and regular payment of wages and salaries
- b. Proper working conditions and welfare amenities

- c. Opportunity for better career prospects
- d. Job security as well as social security like facilities of provident fund, group insurance, pension, retirement benefits etc
- e. Better living conditions like housing, transport, canteen, creches etc and
- f. Timely training and development

4. Responsibility towards suppliers

- a. The responsibility of business towards suppliers is
- b. Giving regular order for purchase of goods
- c. Dealing on fair terms and conditions
- d. Availing reasonable credit period
- e. Timely payment of dues.

5. Responsibility towards customers

The responsibility of business towards its customers

- a. Product and services must be able to take care of the needs of customers
- b. Products and services must be qualitative
- c. There must be regularity in supply of goods and services
- d. Price of the goods and services should be reasonable and affordable
- e. All the advantages and disadvantages of the product as well as procedure to use the product must be informed to the customers
- f. There must be proper after-sales service
- g. Grievances of the consumers, if any, must be settled quickly and
- h. Unfair means like under weighing the product, adulteration etc must be avoided.

6. Responsibility towards competitors

The responsibility of business towards its competitors is not to

- a. Offer exceptionally high sales commission to distributors, agents etc.
- b. Offer to customers heavy discount and/ or free products in every sale
- c. Defame competitors through false or ambiguous advertisements.

7. Responsibility towards government

- a. Setting up units as per guidelines of government

- b. Payment of fees, duties and taxes regularly as well as honestly
- c. Not to indulge in monopolistic and restrictive trade practices
- d. Conforming to pollution control norms set up by the government
- e. Not to indulge in corruption through bribing and other unlawful activities

8. Responsibility towards society (community)

- a. To help weaker and backward sections of the society
- b. To preserve and promote social and cultural values
- c. To generate employment
- d. To protect the environment
- e. To conserve natural resources and wildlife
- f. To promote sports and culture
- g. To provide assistance in the field of developmental research on education, medical sciences, technology etc

ENVIRONMENTAL POLLUTION AND ROLE OF BUSINESS

Business must take measures to protect the environment rather than damaging it.

Environment pollution refers to contamination by various substances that have adverse effect on living and non-living matters.

Environmental pollution is of three types

- i. Air Pollution
- ii. Water Pollution
- iii. Land Pollution

Air Pollution

Air pollution refers to presence of any unwanted gases, dust particles etc in the air, that can cause damage to people as well as nature.

Causes of Air Pollution

Some of the common causes of air pollution are:

- i. Emission of fumes from vehicles.
- ii. Emission of smoke, dust and chemicals from manufacturing plants.
- iii. Emission of gases and dust arising from atomic plants

- iv. Emission of smoke from oil refineries, burning of trees and plants in forests, burning of coal etc.

Impact of Air pollution

- Presence of gases in air which creates serious health problems. It can create diseases like
 - Asthma,
 - Cough and cold,
 - Blindness,
 - Hearing loss,
 - Skin disease etc.
 - It also causes genetic disorders.
 - In the long run and in extreme cases it can also be fatal.
- In winter smog is created by smoke and dust. It reduces natural visibility and irritates the eyes and respiratory tract.
- Ozone layer gets depletion causes gene mutation, genetic defects and skin cancer.
- The temperature of earth increases due to air pollution.
- Air pollution causes acid rain which can cause damage to vegetation, trees and marine life, buildings and monuments etc.

Noise Pollution:

Noise pollution is pollution caused by excessive noise. Noise pollution is caused by modern machines and gadgets

- Rail engines
- Loud speakers
- Generators
- Aero planes
- Vehicles
- Machines

Effects of noise pollution:

This cause

- Loss of hearing
- Headache
- Irritation
- High blood pressure
- Neurological
- Psychological disorders

Water Pollution

Water pollution refers to contamination of water due to presence of unwanted and harmful substance.

Causes of Water Pollution

The various reasons of water pollution are

- a. Drainage of human excreta into rivers, canals etc
- b. Improper sanitation and sewage system
- c. Dumping of wastes and effluents by various industrial units into the rivers and canals
- d. Drainage of toxic substances like chemicals and fertilizers used in cultivation, into streams and rivers
- e. Dumping of garbage, dead bodies and almost everything used in rituals into the nearby water sources by households

Effects of water pollution

- a. It can create health hazards among human beings, animals and birds resulting into diseases like typhoid , jaundice, cholera, gastro enteric etc
- b. It can endanger lives of various aquatic species.
- c. It can lead to scarcity of drinking water as the water of rivers and canals as well as underground water gets polluted.

Land Pollution

Land pollution refers to dumping of useless, unwanted as well as hazardous substances on the land.

Causes of Land Pollution

The main causes of land pollution are:

- a. Excessive use of fertilizers, chemicals and pesticides in cultivation
- b. Disposal of solid waste of industries mines and quarries.
- c. Disposal of solid waste from construction of roads, buildings etc.
- d. Effluents of some plants which are not absorbed by soil.
- e. Excessive use of plastic bags, which are non-biodegradable.
- f. Dumping of non-compassable wastes from households, hotels and hospitals as well as from industries.

Effects of Land Pollution

Land Pollution has the following harmful effects:

- a. Reduces the area of cultivable land.
- b. Causes health hazards as it contaminates the sources of food.
- c. Causes damage to the landscape.
- d. Leads to water and air pollution.

Role of Business in Environmental Pollution

Business causes pollution in the following ways

- a. Emission of gas and smoke from manufacturing plants.
- b. Use of machines, vehicles etc. Contributing to noise pollution.
- c. Deforestation due to acquisition of forest land for setting up plants.
- d. Growth of urbanization and industrialization.
- e. Disposal of wastes and effluents into rivers and canals.
- f. Disposal of solid wastes in the open space.
- g. Mining and quarrying activities.
- h. Increasing use of transport.

Business can control pollution in three ways

Preventive role

Curative role

Awareness role

Preventive role

Business should do the following

- a. It should follow the regulations laid down by government to control pollution
- b. Should prevent from damaging the environment.

Curative Role

Business should

- Rectify any damage done to the environment
- Take curative measures like planting of trees near industrial area can reduce air pollution.

Awareness Role

- Making employees and general public aware about causes and consequences of environmental pollution.
- Conduct public awareness programmes.
- Business should take up the responsibility of maintaining the park and gardens in cities and towns.

PREVIOUS YEARS QUESTIONS

1. Which of the following is not a feature of profession?

- a) Specialized personal services
- b) Limited capital
- c) No specific code of conduct
- d) Fixed professional fees

Answer: c) No specific code of conduct

2. Which of the following activity is not an economic activity?

- (A) Factory work
- (B) Selling of goods
- (C) Charity
- (D) Teaching in a school

Answer: (c) Charity

3. A business has various responsibilities towards different groups with whom it interacts. Mention any such five responsibilities a business has towards its employees.

Answer:

The responsibility of business towards its employees include

- a. Timely and regular payment of wages and salaries
- b. Proper working conditions and welfare amenities
- c. Opportunity for better career prospects
- d. Job security as well as social security like facilities of provident fund, group insurance, pension, retirement benefits etc
- e. Better living conditions like housing, transport, canteen, creches etc

4. State any three Impacts of 'Air Pollution'

Answer:

The three impacts of air pollution are

- a) Ozone layer gets depleted due to air pollution and causes gene mutation, genetic defects and skin cancer.
- b) The temperature of earth increases due to air pollution. The excessive presence of gases like carbon dioxide, methane, nitrous oxide etc does not allow heat of sun to be radiated to the atmosphere.
- c) Air pollution causes acid rain due to the presence of gases like sulphur dioxide, nitrogen oxide, methane etc. This can cause damage vegetation, trees and marine life, buildings and monuments etc.

5. Explain briefly the term 'Profession' and give its any two examples.

Answer:

A person who specializes in one field. An occupation which requires specialized knowledge and training to pursue it. Primary objective is to provide service. The two examples of profession are doctor, lawyers.

6. Explain briefly any three 'Social objectives' and any three 'Global objectives' of business.

Explain any three 'Social-objectives' of business.

Enumerate any three social objectives of business.

Answer:

Social objectives: it includes production of quality goods and services, adoption of fair-trade practices, contribution to the welfare of the society and provision of welfare amenities.

- Production and supply of quality goods and services since business utilizes various resources of the society it should provide quality goods at the right price in the right time to the society.
- Adoption of fair, trade practices
The business should not resort to practices like black- marketing, hoarding, misleading advertisements and over-charging. They should only have fair trade practices and have the welfare of the society.
- Contribution to the general welfare of the society
Business should work for the general welfare and upliftment of the society. They should open vocational training centre to train the people. Opening schools, colleges, hospitals, recreational centres like sports complex, park etc for the general public.

The three global objectives of business are

- a. Raise general standard of living
Now all goods are available all over the world. Quality goods are available at reasonable prices. Thus, improving the standard of living.
- b. Reduce disparities among nations
By expanding business in both developed and under- developed countries it improves the industrial and economic growth of those countries.
- c. Make available globally competitive goods and services
When business produces goods and services which are globally competitive.
 - Improve image of exporting country
 - Earn more foreign exchange for the country

6. Define the terms profession and employment. Distinguish between profession and employment on any four basis.

Or

Explain the term 'profession' giving any two examples.

Answer: Profession:

Profession

A person who specializes in one field. An occupation which requires specialized knowledge and training to pursue it. Primary objective is to provide service. The two examples of profession are doctor, lawyers.

Employment

An occupation in which a person works regularly for another and get wages or salary in return. Examples are Government servants, company executives, bank officials, factory workers.

BASIS OF DIFFERENCE	PROFESSION	EMPLOYMENT
Nature of work	Specialized personal services for fee with discretion to work	Performing work according to the orders of the employer with no discretion
Qualifications	Educational and training in a specific field is necessary	Specialized knowledge not necessary in all cases
Capital	Limited capital required for establishment	No capital required
Motivation	Fixed professional fees for services rendered	Fixed wage or salary

7. Some of the responsibilities of 'business towards creditors.

Answer:

The responsibility towards creditors is

- To make payment timely
- To ensure safety of credit allowed by them and
- To follow norms of business as followed by others

8. What is meant by air pollution? State any two causes of air pollution.

Answer:

Air pollution refers to presence of any unwanted gases, dust particles etc in the air, that can cause damage to people as well as nature.

Two causes of air pollution are

- Emission of fumes from vehicles.
- Emission of smoke, dust and chemicals from manufacturing plants.

9. Briefly describe the preventive and curative role of business to control environmental pollution.

Answer:

The preventive and curative roles of business are

Preventive Role

- Business should do the following
- It should follow the regulations laid down by government to control pollution
- Should prevent from damaging the environment.

Curative Role

Business should

- Rectify any damage done to the environment
- Take curative measures like planting of trees near industrial area can reduce air pollution.

TERMINAL QUESTIONS

1. Give two examples each of economic and non- economic activities.

Answer:

The example of two economic and non-economic activities is

Economic activities

- Farmer grow crops to sell them
- A factory or office employees work and get wages or salary

Non -economic activities

- Visiting places of worship
- Providing relief to the victims of flood and earthquake

2. Distinguish between Economic and Non-economic activities on the basis of i) Purpose ii) Outcome

Answer:

The difference between economic and non-economic activities

BASIS	Economic activities	Non-economic activities
PURPOSE	Earning motive	Social and Psychological motive
Outcome	Lead to creation of wealth and assets	Lead to satisfaction and happiness

3. What is meant by an occupation?

Answer:

Occupation means when people are engaged in activities on regular basis and also, they earn money out of it.

4. Explain any two characteristics of employment.

Answer:

Two characteristics of employment are

- Specialized knowledge not necessary in all cases
- No capital required

5. Explain any two characteristics of profession.

Answer:

The two characteristics of profession are

- Educational and training in a specific field is necessary
- Limited capital required for establishment

6. Define the term business.

Answer:

Business may be defined as “an activity involving regular production or purchase of goods and services for sale, transfer and exchange with an object of earning profit.

7. Why do we call a person doing carpentry as engaged in a vocation?

Answer:

A carpenter’s job is called vocation as it is neither profession or employment or business. A carpenter does not follow any code of conduct as in profession or need to follow any rules and regulations in employment and there is no fixed pay. The carpenter is not producing any goods and services and selling it as in business.

8. A cobbler making shoes for himself is not engaged in business, why?

Answer:

Business refers to the production or buying and selling activities should be carried out on a regular basis with the objective of earning profit through production, distribution, sale or purchase of goods and services. The cobbler is making shoes for his own use. So it cannot be termed s business.

9. Describe the main characteristics of business.

- i. Deals in goods and services
People are engaged in production and distribution of goods and services
 - a. Consumer goods -bread, butter, milk ,tea
 - b. Capital goods – plant, machinery, equipments
 - c. Services - transportation, banking, insurance, warehousing, advertising.
- ii. Sale or exchange of goods and services
The goods and services produced or purchased must be exchanged for money or for goods between buyers and sellers.

10. What is meant by business? Describe any two characteristics of business.

Answer:

Business refers to any human activity undertaken on a regular basis with the objective of earning profit through production, distribution, sale or purchase of goods and services.

The two characteristics of business are

- a. Regular exchange of goods and services
- b. The production or buying and selling activities should be carried out on a regular basis.

Example

Raju sells his old car to Hari is not a business.

Raju keeps buying and selling cars regularly then it is business

- c. Requires Investment:

There should be some amount of investment in terms of land, labour or capital. It is utilized to produce a variety of goods and services for distribution and consumption.

11. How is business different from profession? Answer in about 60 words

Answer:

Business: Supply of goods and services to the customers for money. No minimum qualifications required. Capital investment required according to the nature, size and earning profits from sale of goods and providing services to the customer. There is risk of loss. Profits are uncertain. No specific code of conduct.	Profession: Specialized personal services for fee with discretion to work. Educational and training in a specific field is necessary. Limited capital required for establishment. Fixed professional fees for services rendered. Fixed income. Liability for negligence of duty. A rigid professional code of conduct to maintain high standards of profession.
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12. Discuss the broad categories of business activities, giving examples?

Answer:

The broad categories of business activities are

1. Production of goods at a place, distribution of goods to different places and finally sale of goods
2. Services like transportation of goods and passengers, banking, insurance, advertising, supply of electricity, telephone etc.

13. Explain the three types of occupations people are generally engaged in.

Answer:

The people are engaged in 3 types of occupation

1. Business
2. Profession
3. Employment

1. BUSINESS

- Goods and services are produced and sold in return of money
- Primary objective is to make profit
- Examples
 - Mining
 - Manufacturing
 - Trading
 - Transporting
 - Storing
 - Banking and insurance

2. Profession

- A person who specializes in one field
- An occupation which requires specialized knowledge and training to pursue it.
- Primary objective is to provide service
- Profession
- Is regulated by professional body
- There is code of conduct developed by concerned professional body
- Examples of profession are doctor, lawyers etc.

3. Employment

- An occupation in which a person works regularly for another and get wages or salary in return.
- Examples are Government servants, company executives, bank Officials, factory workers
- Employment terms and conditions
 - Hours of work
 - Amount of wages/salary
 - Other facilities
 - Employer decides on the condition
 - The employee should agree on the terms and conditions
 - Remuneration will be paid is fixed and paid in terms of salary or wages

14. If there is no regularity in dealings, an activity cannot be called business. Do you agree? Give reasons in support of your answer.

Answer:

Business refers to any human activity undertaken on a regular basis with the objective of earning profit through production, distribution, sale or purchase of goods and services.

The production or buying and selling activities should be carried out on a regular basis.

Example

- Raju sells his old car to Hari is not a business.
- Raju keeps buying and selling cars regularly then it is business.

15. Despite uncertainty of return, why is a businessman willing to invest money in the business?

Answer:

A businessman investing in business expects a fair amount of return. They enjoy profit also. At times there are situations they suffer heavy loss. This happens because of uncertain future and no control over certain factors.

16. Profit earnings are the main objectives of business. Explain.

Answer:

The business can survive only through earning profit. The profit earned will help to earn their living as well as expand the business by reinvesting the part of profit.

17. Explain the economic objectives of business.

Answer:

Profit earning

The business can survive only through earning profit. The profit earned will help to earn their living as well as expand the business by reinvesting the part of profit.

In order to achieve primary objective, some other objectives also have to be achieved

a. Creation of customer: business cannot survive without customers. In order to get customers, they need to provide quality goods and services at reasonable prices. The new customers can be achieved through various marketing activities

B. Continuous innovation: the business should change according to the environment. Innovation means improvement in products, process of production, and distribution of goods. Reduction of cost and increase in

sales. Use of power looms in place of handlooms, use of tractors in place of hand implements in farms.

C. Best possible use of resources: business activities need sufficient capital or fund to buy raw materials, machinery and employ efficient men. The objective can be achieved by maximum utilization of machinery, efficient use of men and minimizing wastage of raw materials.

18. Enumerated the social objectives of business

Answer:

Social objectives: it includes production of quality goods and services, adoption of fair-trade practices, contribution to the welfare of the society and provision of welfare amenities.

a. Production and supply of quality goods and services since business utilizes various resources of the society it should provide quality goods at the right price in the right time to the society.

b. Adoption of fair, trade practices they should only have fair trade practices and have the welfare of the society as top priority.

c. Contribution to the general welfare of the society

Business should work for the general welfare and upliftment of the society. They should open vocational training centre to train the people. Opening schools, colleges, hospitals, recreational centres like sports complex, park etc for the general public.

19. Explain the importance of national objectives of business.

Answer: Business should fulfill the national goals and aspirations.

A. Creation of employment

Create employment opportunity for people by establishing new business units, expanding markets and widening distribution channels etc.

B.Promotion of social justice

The business should provide equal opportunity to all and all its employees. Importance should be given to those in weaker and backward sections of the society

- Production according to national priority
- Production and supply of goods according to plans and policies of the government.
- Increase the production and supply of essential goods at reasonable prices

C.Contribute to the revenue of the country

- Taxes and dues should be paid to government honestly
- Thus, increase the revenue of the government and

D.Self -sufficiency and Export Promotion

Business should restrict import of goods and increase export of goods. thus, increasing of foreign exchange of the country.

20. Enumerate and explain the human objectives of business.

Answer:

The business should look into the welfare of employees and also of the society like handicapped, disabled and those deprived of proper education and training

- a. Economic wellbeing of the employees
- b. Employees should be provided with
- c. Proper remuneration and incentives
- d. Provide benefits like pension, provident fund.
- e. Amenities like medical facilities and housing facilities etc.
- f. Social and psychological satisfaction of employees
- g. The business has to look into the matters like
- h. Making job interesting for them and avoiding monotony.
- i. Placing the right person in the right job.
- j. Hearing the grievances of the employees
- k. Participating them in decision making.

B.Development of human resources

The business has to

- Improve the skills of the employees
- Provide training and development for them to grow professionally
- Well, being of socially and economically backward people
- Help those who are socially backward
- Those who are physically and mentally challenged
- Provide vocational training to those who are socially backward
- Awarding scholarships to meritorious students for their higher studies.

21. Explain the global objectives of business

Answer:

The business should look into global objectives like

1. Raise general standard of living

Now all goods are available all over the world. Quality goods are available at reasonable prices. Thus, improving the standard of living.

2. Reduce disparities among nations

By expanding business in both developed and under- developed countries it improves the industrial and economic growth of those countries.

3. Make available globally competitive goods and services

When business produces goods and services which are globally competitive.

- Improve image of exporting country
- Earn more foreign exchange for the country

22. What is meant by social responsibilities of business?

Answer:

Social responsibility means businessman should not do anything harmful to society in the course of his business.

Social responsibility refrains the businessmen from indulging in any unfair means like black marketing, hoarding, adulteration, tax-evasion, cheating customers etc to make profit.

23. Prepare a list of the interest groups with whom business interacts in its day-to-day activities

Answer:

The following are the interest groups with whom business interacts.

1. Responsibility towards owners and investor
2. Responsibility towards creditors
3. Responsibility towards employees
4. Responsibility towards suppliers
5. Responsibility towards customers
6. Responsibility towards competitors
7. Responsibility towards society (community)

24. Why should business be responsible to the society? Give any three reasons.

Answer:

The three reasons of business responsibility to the society

- a. To help weaker and backward sections of the society
- b. To preserve and promote social and cultural values
- c. To generate employment

25. State the responsibilities of business towards customers

Answer:

Responsibility of business towards customers is as follows

- a. Product and services must be able to take care of the needs of customers
- b. Products and services must be qualitative

- c. There must be regularity in supply of goods and services
- d. Price of the goods and services should be reasonable and affordable
- e. All the advantages and disadvantages of the product as well as procedure to use the product must be informed to the customers
- f. There must be proper after-sales service
- g. Grievances of the consumers, if any, must be settled quickly and
- h. Unfair means like under weighing the product, adulteration etc must be avoided.

26. In what way should the business be responsible to the government?

Answer:

The business should be responsible to government following ways

- a. Setting up units as per guidelines of government
- b. Payment of fees, duties and taxes regularly as well as honestly
- c. Not to indulge in monopolistic and restrictive trade practices
- d. Conforming to pollution control norms set up by the government
- e. Not to indulge in corruption through bribing and other unlawful activities

27. Define environmental pollution and state the types of environmental pollution.

Answer:

Environment pollution refers to contamination by various substances that have adverse effect on living and non-living matters.

Environmental pollution is of three types

- i. Air Pollution
- ii. Water Pollution
- iii. Land Pollution

28. Explain the various causes of air pollution.

Answer:

The various causes of air pollution are:

- a. Emission of fumes from vehicles.
- b. Emission of smoke, dust and chemicals from manufacturing plants.
- c. Emission of gases and dust arising from atomic plants
- d. Emission of smoke from oil refineries, burning of trees and plants in forests, burning of trees and plants in forests, burning of coal etc.

29. State three important impacts of air pollution

Answer:

The three important impacts of air pollution

- Presence of gases in air, which are not required by human beings, animals and birds, creates serious health problems. It can create diseases like asthma, cough and cold, blindness, hearing loss, skin disease etc. It also causes genetic disorders. In the long run and in extreme cases it can also be fatal.
- In winter smog is created by smoke and dust. It reduces natural visibility and irritates the eyes and respiratory tract.
- Ozone layer gets depleted due to air pollution and causes gene mutation, genetic defects and skin cancer.

30. What are the effects of water pollution?

Answer:

Effects of water pollution are as follows

- a. It can create health hazards among human beings, animals and birds resulting into diseases like typhoid, jaundice, cholera, gastro enteric etc
- b. It can endanger lives of various aquatic species.
- c. It can lead to scarcity of drinking water as the water of rivers and canals as well as underground water gets polluted.

31. How does business pollute the environment? State any five points.

Answer:

The five ways business pollute the environment are

- a) Emission of gas and smoke from manufacturing plants.
- b) Use of machines, vehicles etc. Contributing to noise pollution.
- c) Deforestation due to acquisition of forest land for setting up plants.
- d) Growth of urbanization and industrialization.
- e) Disposal of wastes and effluents into rivers and canals.

32. Describe the role of business in preventing environmental pollution.

Answer:

Role of business in preventing environment are

- It should follow the regulations laid down by government to control pollution
- Should play role in preventing further damage to the environment.

33. Enumerate the important events that influenced Indian business during the British rule.

Answer:

India started trade and commerce as long as back from 5000 B.C.

Historical evidence of following can be seen in India

- He following items like textile, perfumes and jewellery
- Planned cities
- Currency was used to do trade
- Guilds were used to protect the interest of traders, artisans and producers.
- Complex development of trade and commerce
- Strong network of internal trade routes
- Trade links with Arabs, Central and South East Asia
- Business of producing metal items like brass and copper idols, vessels, ornaments and piece of decoration.
- Export and import of different items from different parts of the world.
- British first came to India for trade, which led to establishment of their rule in India.

34. India has contributed significantly to the world of business. Describe any four contributions to support this statement.

Answer: India has very rich cultural heritage. India was a well-developed country in terms of economy and business. The proof of foreigners was attracted towards the wealth and attacked India can be seen in the testimony about

- Excavation
- Written records
- Literature
- Contribution of India towards trade and business
- Numerical system of calculation
- Joint family system
- Division of labour in business
- Modern technique of customer focused business