

Chapter 1 - Commercial And Non-Commercial Activities

Short Questions – Answers

Ans.1. **Human activities** means all those activities which human beings undertake. **For example** - working in a factory

Ans 2. The **objective of economic activities** is to earn money and acquire wealth.

Ans 3. Classification whether business, profession and employment

(i) Employment

(ii) Business

(iii) Profession

Long Questions - Answers

Ans.1. **Difference between Commercial and Non-Commercial activities are :**

Points of Distinction	Commercial	Non-commercial
1. Objective	Economic objective is to earn a living and acquire wealth	Sentimental and emotional objective is to obtain some sort of personal satisfaction
2. Expectation	Money income is expected from these activities	Money income is not expected from these activities
3. Relationship	Directly related to income and wealth	Not related to income and wealth
4. Measurement of outcome	Result can be measured in terms of money	Result cannot be measured in terms of money
5. Types of examples	Business, profession and employment	Family oriented, religious, social, cultural and national

Ans 2. Features of profession are :

(i) **Specialised body of knowledge**- Every profession has a specialised and systematised body of knowledge. Members of the profession are required to learn this knowledge.

(ii) **Restricted entry**- Entry to a profession is allowed only to those who have completed the prescribed education and have passed the specialized examination.

(iii) **Formal education and training**- A profession provides facilities for formal education and training to those who want to acquire profession qualification. One must acquire the prescribed degree examples- CA, LLB by undergoing the prescribed training.

(iv) **Professional association**- A professional association is a statutory body and its membership is essential. The association regulates entry in the profession, grants certificate of practice, formulates and enforces code of conduct.

(v) **Service motive**- Professionals are expected to emphasise services to their clients rather than economic gain.

Exercises - Answers

Ans.(1) The two types of human activities are economic and non-economic activities.

Ans.(2) The main characteristics of human activities are :

(i) Human activities are those activities which can be undertaken only by human beings.

(ii) Human activities are undertaken to satisfy human wants which are unlimited.

(iii) Human activities continue throughout life.

(iv) Human activities have a wide range.

(v) Human activities are performed both for earning money as well as for obtaining personal satisfaction.