



पुना International School

Shree Swaminarayan Gurukul, Zundal

CBSE BOARD

Affiliation No : 430248



1. Nature And Purpose Of Business

- Ranju





Types of Human Activities

Economic Activities

(To earn money,
business, profession,
and employment)

Non-Economic Activities

(Religion, social,
parental)

NON-ECONOMIC ACTIVITIES

- ❖ These activities are performed not to earn money but for self-satisfaction.
- ❖ There are no economic benefits.

Example:

- Watching movies
- Playing football
- Helping mother in kitchen
- Chatting with friends





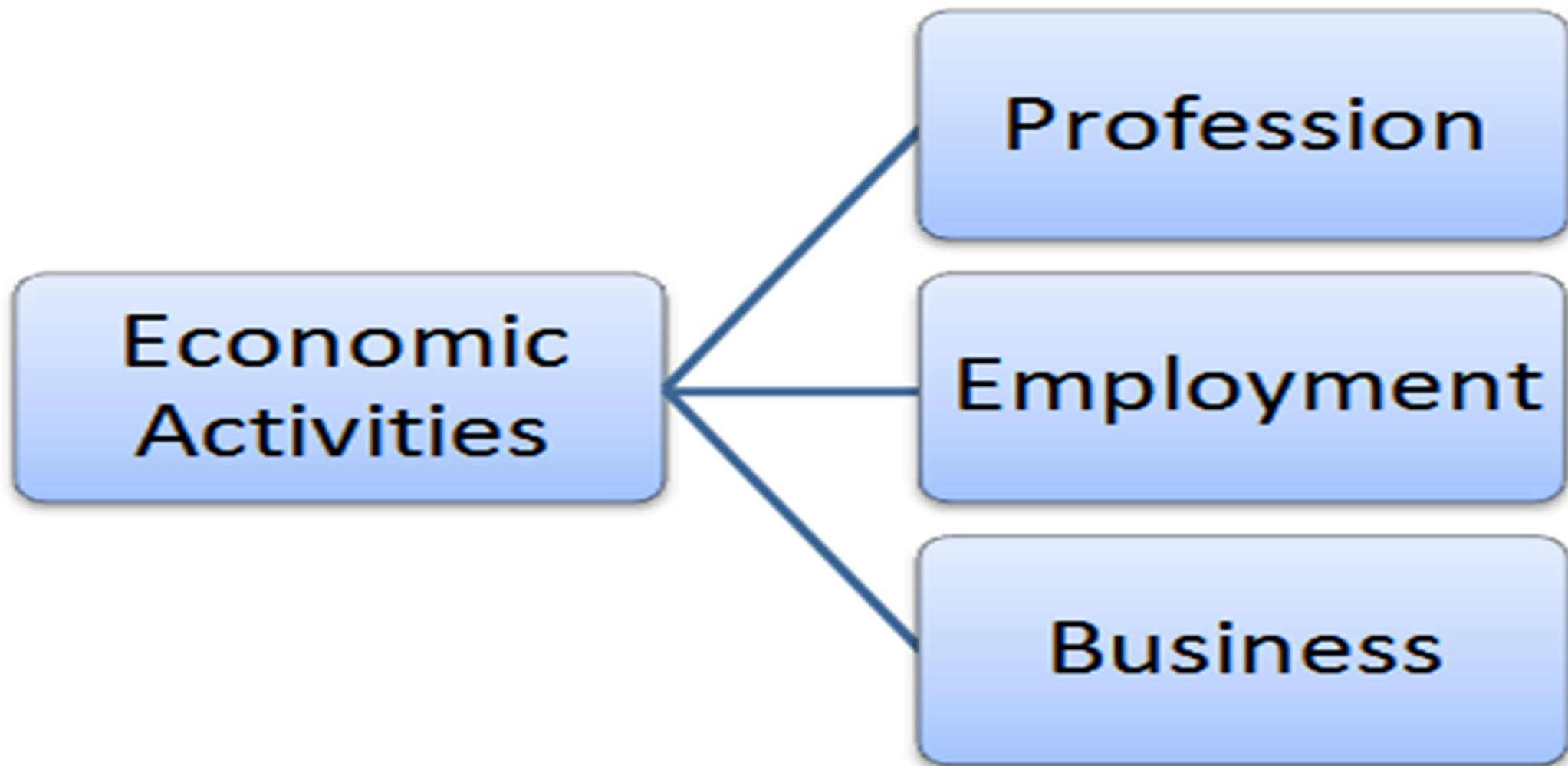
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When a teacher is teaching in a school and gets salary, it is an economic activity but when a teacher is teaching her son/daughter at home, then it is a non-economic activity.



Basis	Economic Activities	Non-economic Activities
Meaning	Economic activities are those by which we can earn our livelihood.	Non-economic activities are those performed out of love, sympathy, sentiments, patriotism etc.
Purpose/Motive/Expectation.	These activities are undertaken to earn money and to create wealth.	These activities are undertaken to satisfy social, psychological and emotional needs.
Examples	<ul style="list-style-type: none">• A worker working in a factory.• A doctor operating in his clinic.• A teacher teaching in a school.	<ul style="list-style-type: none">• A housewife cooking food for her family.• A boy helping an old man cross the road.• A person goes to temple to offer his prayer.
Outcome	Production, distribution and consumption of goods and services.	Mental/psychological satisfaction.
Types	Business, profession and employment .	Religious, social, parental and patriotic activities.







Basis of difference	Business	Profession	Employment
1. Mode of establishment	Entrepreneur's decision and other legal formalities, if necessary.	Membership of a professional body and certificate of practice.	Appointment letter and service agreement. 1
2. Nature of work	Provide goods and services to satisfy human wants.	Rendering personalised expert services.	Performing work as per service contract or rules of service. 1
3. Qualification	No minimum qualification is necessary.	Expertise and training in a specific field is a must.	Qualification and training as prescribed by the employer. 1
4. Reward or return	Profit earned.	Professional fee.	Salary or wages. 1
5. Capital investment	Capital investment required as per size and nature of business.	Limited capital needed for establishment.	No capital required. 1
6. Risk	Profits are uncertain and irregular, risk is present.	Fee is generally a regular and certain; minimum risk.	Fixed and regular pay, no risk. 1



Features of Business

1. Exchange of goods and services
2. Deals in numerous transactions
3. Profit is the main Objective
4. Business skills for economic success
5. Risks and Uncertainties
6. Buyer and Seller
7. Connected with production
8. Marketing and Distribution of goods
9. Deals in goods and services
10. Satisfaction of human needs and wants
11. Social obligations



