

## **CASE STUDIES**

### **CH-1(Nature And Purpose Of Business)**

1. Jigyasa has just completed her post graduation in Fashion Designing from a well known premier/reputed institute of Mumbai. Being a fashion industry, trends of dresses n choices are well known to her. She is willing to open a huge business house for ladies clothing of latest fashion. She is well versed with the trend but do not possess any business experience. Her target is to capture not only the national market but also the International. She has appointed some labour but do not appoint any marketing expert. Is she wise in her decision? Justify your answer with at least three reasons.
2. A well qualified medical practitioner is doing his job very seriously. He is serving his patients with full dedication and sincerity. He is charging very nominal amount from the patients for fees. Due to this many patients attracted towards him. Apart from above he opened a medical store in his nursing home for charity purpose with no profit motive. He is providing the medicines of branded pharmaceuticals companies to the patients at the same price at which he is getting. He is satisfied with all his efforts. Is he doing a business? Which type of objective he is trying to achieve? Identify the values which he is communicating to the society?
3. A well qualified medical practitioner is doing his job with full dedication and sincerity. Later he opened a medical store and started selling the medicines also. In order to earn more and more money and commission in very short period, he started procuring medicines from sub-standard companies. In which type of activity a medical practitioner is involved ? Explain any 3 characteristics of economic activity in which he is involved.  
Identify two values which he has ignored.

4. An entrepreneur established an industrial unit in a backward and rural area. An advanced pollution control plant has been installed in their factory premises. He will receive various incentives and rebates in taxes, as per the policy of the government. He also opens school for education at nominal cost for the children of its employees and local people. He employed the men as well as women with same wage structure. Will the decision to establish an industrial unit in a backward area help the society? What benefits he will get? Identify the values which the unit wants to communicate to the society?
5. Manas, the owner of a business enterprise wants to expand his business. He appointed Aman as his project head. Aman suggested him to establish Paper Bags Unit in Tribal Area as the government has banned the plastic bags. Plastic creates pollution. It not only affect human beings but also the animals and nature as a whole. Opening a unit, in Tribal area can also generate employment. Manas appreciated him and accepted his proposal. He appointed Harmeet, Albert, and Zaid as heads of Sales, Accounts and purchase deptts. (Albert was a differently abled but very intelligent person). Which economic activity Manas is pursuing? Quote the lines which suggest that he is sensible towards the environment and society. Identify the values which Aman wants to convey to the society?
6. A Toy manufacturer distributes its defective toys at free of cost (after getting it repaired) to Orphanage. Before deliver of toys to the orphanage, each toy rechecked so that it may not harm any child. Which values are being attested in this?

## **Suggested Solutions:**

1. No, she is not wise in her decision.

Reasons may be:

- a) lack of experience, not taking suggestions from experts
- b) economic risk attached
- c) societies changing trend, etc.

2. No, he is practicing profession

Social

Values like:

- a) concern for people's health
- b) professional ethics

3. Profession

Characteristics of profession: any three

Values ignored:

- a) professional ethics
- b) honesty
- c) profit earning on the cost of people's health

4. Yes

- a) benefit of incentives
- b) benefit in tax paying liability

Values: generate employment, fulfilment of social responsibility

5. Business

“establish Paper Bags Unit in Tribal Area” and “appointed differently abled”

Values: generate employment, fulfilment of social responsibility

6. a) fulfilment of social responsibility

b) help to needy class of society