



## INDIAN SCHOOL AL WADI AL KABIR

Class: XI

Department: Commerce

WORKSHEET NO: 1

Topic: Social Responsibility

### Fill in the blanks

1. \_\_\_\_\_ may be fulfilled by mere compliance with the law. (Legal responsibility)
2. \_\_\_\_\_ is broader than legal responsibility of business. (social responsibility)
3. Every company must carry out social responsibility towards \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_. (workers, owners/shareholders, government and community and consumers.)
4. Supply of right quality and quantity of goods and services to consumers at reasonable prices constitutes the responsibility of an enterprise toward its \_\_\_\_\_. (consumers)
5. Management of an enterprise is also responsible for providing opportunities for their development, is the responsibility towards \_\_\_\_\_. (workers)

### Multiple Choice Questions

1. An enterprise must respect the laws of the country and pay taxes regularly and honestly. It must behave as a good citizen and act according to the well accepted values of the society. It must protect the natural environment. This is the company's responsibility towards \_\_\_\_\_.  
A. Shareholders  
B. Workers  
C. Consumers  
**D. Government and community**
2. Ensuring safe return on investment and providing the shareholders with regular, accurate and full information about its working as well as schemes of future growth shows the organizations social responsibility towards \_\_\_\_\_.  
A. Consumers  
**B. Shareholders**  
C. Consumers

D. Government and community

3. It is argued that social responsibilities like pollution control and environmental protection are very costly and often require huge financial investments. In such circumstances, businessmen are likely to simply shift this burden of social responsibility by charging higher prices instead of bearing it themselves. Therefore, it is unfair to tax the consumers in the name of social responsibility. Identify the above mentioned argument against social responsibility.

A. Violation of profit maximisation objective

**B. Burden on consumers**

C. Lack of social skills

D. Lack of broad public support

### Short Answers

1 After a life-changing internship at the Make-A-Wish Foundation, Jessica Ekstrom decided she wanted to continue helping children with life-threatening illnesses by starting her own business. Her company, Headbands of Hope, sells made-in-the-U.S. headbands and donates a dollar of each sale to childhood cancer research through the St. Baldrick's Foundation. Identify the concept discussed above. (Social Responsibility)

2 Tata Motors' focus on environmental management helps preserve the long-term health of people and ecosystems and build strong relationships with local communities. Various initiatives have been undertaken within the broad frame of Environment and Climate Change to address the conservation of natural resources and energy, minimize waste generation, enhance recovery and recycling of material and develop eco-friendly process and systems. We have been continuously working towards reducing our various environmental footprints, which is evidenced by our decrease in specific consumption levels. We recycle close to 69% of wood packaging, eliminating the use of fresh wood. A 200 liter engine oil barrel can now be used to test 170 engines instead of 85 engines.

At Jamshedpur and Lucknow, the wet garbage from our canteens is converted to usable organic manure to sustain greenery in the plants. We achieved annualized energy savings of 230,959 GJ through conservation initiatives across our operations. Similarly, in last three years, we have reduced Green House Gas emissions by 22,581.62 tons of CO<sub>2</sub> while total energy consumed per vehicle produced has also decreased.

- a) What are the arguments in favour of Tata's for undertaking such initiatives?
- b) What are the arguments against social responsibility?
- 3 Give few examples of socially responsible Indian companies
- 4 Mention one argument for social responsibility
- 5 State one argument against social responsibility
6. Business has a pool of managerial talent and capital resources, supported by years of experience in organising business activities. It can help society to tackle its problems better, given the huge financial and human resources at its disposal. Government regulations are undesirable because they limit freedom. Therefore, it is believed that businessmen can avoid the problem of government regulations by voluntarily assuming social responsibilities, which helps to reduce the need for new laws. People who feel that they are not getting their due from the business may resort to anti-social activities, not necessarily governed by law. This may harm the interest of business itself. Therefore, it is desirable that business enterprises should assume social responsibilities.
- a. From the above given information quote the lines and identify arguments for social responsibility.
- b. Explain any two other arguments for social responsibility.

Answer:

- a. Business has a pool of managerial talent and capital resources, supported by years of experience in organising business activities. It can help society to tackle its problems better, given the huge financial and human resources at its disposal-

**Availability of resources with business**

Government regulations are undesirable because they limit freedom. Therefore, it is believed that businessmen can avoid the problem of government regulations by voluntarily assuming social responsibilities, which helps to reduce the need for new laws.- **Avoidance of government regulation**

People who feel that they are not getting their due from the business may resort to anti-social activities, not necessarily governed by law. This may harm the interest of business itself. Therefore, it is desirable that business enterprises should assume social responsibilities-**Maintenance of society**

- b. Explain any two other arguments for social responsibility.

- Better environment for doing business [along with the explanation]
- Long-term interest of the firm [along with the explanation]

7. Management of XYZ company provides opportunities to the employees for meaningful work. It also creates the right kind of working conditions so that it can win the cooperation of workers. The enterprise also respects the democratic rights of the workers to form unions. It Supplies of right quality and quantity of goods and services to consumers at reasonable prices. They also provide right information about the product. They provide the shareholders with regular, accurate and full information about its working as well as schemes of future growth.

Identify the responsibility of business towards different interest groups from the information given above.

Answer

- a. Responsibility towards the workers
- b. Responsibility towards the consumers
- c. Responsibility towards the shareholders or owners

**True or False**

1. Avoidance of government regulation is an argument for social responsibility. (true)

2. Lack of broad public support is an argument for social responsibility. (false)
3. A definite commitment by top management of the enterprise to create, maintain and develop work culture for environmental protection and pollution prevention is one of the roles of business in environment protection. (true)
4. A definite commitment by top management of the enterprise to create, maintain and develop work culture for environmental protection and pollution prevention comes under legal responsibility. (false)
5. A business enterprise has the responsibility to provide a fair return to the shareholders or owners on their capital investment and to ensure the safety of such investment. This comes under responsibility towards government and community. (false)