

The Value of Work

Class VI — Social Science (Economics) — Chapter 13

NCERT Comprehensive Notes 2025-26

01 Chapter Overview

Chapter 13 — "The Value of Work" from the NCERT textbook *Exploring Society: India and Beyond* introduces students to the different types of activities that people engage in every day. Through the stories of characters like Anu, Kabir, Kavya, and their families, the chapter explains the difference between economic activities (which involve money) and non-economic activities (done out of love, care, gratitude, or duty). It also covers how economic activities add value at each stage of production, the various forms of payment (salary, wage, fee, payment in kind), and the importance of non-economic activities like sevā, community participation, and collective efforts such as Swachh Bharat Abhiyan and Van Mahotsav.

USP Key Points

- ★ Activities people perform are broadly divided into 2 categories — Economic and Non-Economic
- ★ Economic activities involve money or money's worth in exchange for goods and services
- ★ Non-economic activities are driven by feelings like love, care, gratitude, and respect — they do not generate income
- ★ Value addition: Rajesh buys wood for ₹600 and sells a chair for ₹1,000 — the ₹400 difference is value added by his skill, time, and effort
- ★ 4 forms of payment discussed: Salary (monthly), Wage (daily/periodic), Fee (professional services), and Payment in kind (non-cash)
- ★ Sevā (selfless service) is practised in temples, gurudwaras, mosques, and churches — e.g., langars serve free food
- ★ Swachh Bharat Abhiyan and Van Mahotsav are examples of collective community participation in India

02 Economic & Non-Economic Activities

People around us engage in many different types of activities throughout the day. Some of these activities help them earn money, while others are done purely out of love, care, or a sense of duty. Based on whether money is involved or not, all human activities can be classified into two broad categories: economic activities and non-economic activities.

Economic Activities

Economic activities are those that involve money or are performed in exchange for money or money's worth for the parties involved. When a person performs work and receives payment in return — whether in cash or in kind — that work is considered an economic activity. These activities contribute to the production, distribution, and consumption of goods and services in the economy.

Examples of Economic Activities: A business person selling school bags in the market, a farmer selling produce, a lawyer arguing a case and earning a fee, a truck driver transporting goods, workers in a car manufacturing factory, a post office employee receiving a monthly salary, a teacher conducting paid online classes.

Non-Economic Activities

Non-economic activities are those that do not generate income or wealth but are done out of feelings like gratitude, love, care, and respect. These activities are essential for maintaining family bonds, social harmony, and community well-being, even though no monetary transaction takes place.

Examples of Non-Economic Activities: Parents cooking food for the family, helping children with schoolwork, youth taking care of grandparents, family members helping in house renovation, volunteering to teach skills for free, and participating in community festivals.

Activities from Anu's and Kabir's Story

CHARACTER	ACTIVITY	ECONOMIC / NON-ECONOMIC
Geeta Aunty	Pilot in the Indian Air Force (receives salary)	Economic
Kabir's Grandfather	Providing free Geography classes to neighbourhood kids	Non-Economic
Kabir's Grandfather	Tending to the vegetable garden	Non-Economic
Kabir's Grandfather	Running errands for the home	Non-Economic
Anu's Parents (Appa & Maa)	Running a shop selling uniforms and garments	Economic
Anu's Maa	Teaching knitting to women (voluntary group)	Non-Economic
Rohan (Anu's brother)	Software engineer in a company (receives salary)	Economic
Rohan (Anu's brother)	Volunteering to teach computer skills at youth programme	Non-Economic

Key Distinction: The same person can perform both economic and non-economic activities. For instance, Rohan works as a salaried software engineer (economic) during the week and volunteers to teach computer skills for free on weekends (non-economic). Similarly, Anu's Maa runs the garment shop (economic) and teaches knitting for free (non-economic).

03 Types of Economic Activities

The chapter introduces the story of Kavya who visits her aunt's house in Kamlapur village. Through her experiences, we learn about the different kinds of economic activities people engage in and the various ways they are compensated for their work.

Kavya's Uncle – The Technician

Kavya's uncle works as a technician in a construction company. He operates a bulldozer at a highway construction site near the village. This new highway was expected to reduce travel time to the nearest town from five hours to just two hours. He receives a monthly salary for his services. His work is an economic activity because he is employed by a company and is paid regularly for his efforts.

Kavya's Aunt – The Post Office Employee & Online Teacher

Kavya's aunt is employed at the village post office and receives a monthly salary. After office hours in the evening, she also conducts online classes to help students prepare for school exams and charges a weekly fee for these classes. Both her post office job and her online teaching are economic activities because they generate income.

Sahil – The Farm Labourer

Sahil is a farm labourer who uses a tractor to till a farmer's land. He earns a daily wage for his work. Interestingly, he receives part of his payment in cash and the remaining part in the form of mangoes of equal value. The mangoes he receives are called payment in kind – a non-cash form of compensation.

Different Forms of Payment

FORM OF PAYMENT	DEFINITION	EXAMPLE FROM CHAPTER
Salary	A fixed regular payment, generally paid monthly by an employer to an employee	Geeta Aunty (Air Force pilot), Kavya's uncle (bulldozer technician), Kavya's aunt (post office employee), Rohan (software engineer)
Wage	A payment made by the employer to the worker for a specific period of time (daily / weekly)	Sahil (farm labourer) – earns a daily wage
Fee	A payment made to a person or organisation in exchange for professional advice or services	Kavya's aunt (weekly fee for online classes), Lawyer arguing a case, Doctor treating patients
Payment in Kind	A non-cash payment received for work performed – goods of equal monetary value	Sahil receives mangoes as part of his payment for tilling the land

Important Note: A person may receive compensation through more than one form. Sahil receives both a cash wage and payment in kind (mangoes). Similarly, Kavya's aunt earns a monthly salary from the post office and also charges a weekly fee for online classes – two different forms of income from two different economic activities.

04 Value Addition in Economic Activities

Economic activities not only involve earning money – they also create additional value at each stage of the production process. This process of increasing the worth of a raw material or product through skill, labour, and effort is called **value addition**.

The Example of Rajesh the Carpenter

Kavya's father, Rajesh, is a carpenter. He buys wood from a nearby market for ₹600 to make furniture. Using his special tools, skills, time, and effort, he transforms the raw wood into a finished chair. He then sells the chair in the market for ₹1,000.

Understanding Value Addition:

Cost of raw wood = ₹600

Selling price of the chair = ₹1,000

Value Added = ₹1,000 – ₹600 = ₹400

The ₹400 represents the monetary value of Rajesh's skill, time, and effort. He has transformed raw wood into a useful piece of furniture, thereby adding value to it.

Value addition is a fundamental concept in economics. Every economic activity, from farming to manufacturing to services, involves some form of value addition. A farmer adds value to seeds by growing crops, a tailor adds value to cloth by stitching clothes, and a baker adds value to flour by baking bread. Each stage of production increases the value of the product.

STAGE	ACTIVITY	VALUE CREATED
1. Raw Material	Rajesh buys wood from the market	₹600 (cost of wood)
2. Processing	Uses tools, skill, time, and effort to make a chair	₹400 (value added)
3. Finished Product	Sells the completed chair in the market	₹1,000 (total value)

Value Addition — The increase in value of a product at each stage of its production or processing. It represents the difference between the cost of inputs and the selling price of the final product.

05 The Importance of Non-Economic Activities

While non-economic activities may not involve money, the value they generate is extremely important in our lives. They contribute to social welfare, personal well-being, and help build stronger families and communities. Non-economic activities create bonds of trust, compassion, and belonging that money alone cannot buy.

Sevā: Selfless Service

Sevā means selfless service — doing something for others without expecting anything in return. We see sevā practised in many places such as temples, gurudwaras, mosques, and churches. These acts of service foster a deep sense of satisfaction and gratitude, and they represent a way of contributing to society unconditionally.

Example — Langar at Gurudwaras: Langars or community kitchens at gurudwaras serve food to every visitor completely free of charge, regardless of their caste, religion, or economic status. People from the community volunteer their time and resources to cook and serve the food. This is one of the finest examples of sevā in practice.

Other Examples of Sevā: Temples distributing prasād to devotees, mosques and churches offering food and shelter to the needy, volunteers at hospitals caring for patients, and people offering free tuition to underprivileged children. Kabir's grandfather voluntarily teaching free Geography classes to neighbourhood kids is also a form of sevā.

Why Non-Economic Activities Are Valuable

Even though non-economic activities do not generate income, they hold immense value because they strengthen family bonds and relationships, build a sense of community and togetherness, promote social welfare and mutual support, preserve cultural traditions and festivals, create personal satisfaction and emotional well-being, and inspire others to contribute to society.

06 The Strength of Community Participation

When people come together for a common cause, their collective efforts create a powerful impact that no individual can achieve alone. The chapter highlights two major examples of community participation in India.

Swachh Bharat Abhiyan

The Swachh Bharat Abhiyan (Clean India Mission) is based on the collective efforts of all Indian citizens to keep their surroundings clean. Individually, people keep their homes and surroundings clean. People have also come together to clean up streets, roads, parks, and other public places or community areas. Together, these small efforts lead to a clean home, neighbourhood, society, and nation. It demonstrates how community participation can transform the entire country.

Van Mahotsav

Van Mahotsav, meaning the "Festival of Forests," is celebrated in India to promote awareness about the value of trees and the conservation of forests. This initiative brings together members of the community for tree plantation drives. People of all ages participate in planting saplings, which helps increase green cover, combat pollution, and preserve the environment for future generations.

Key Insight: Both Swachh Bharat Abhiyan and Van Mahotsav are non-economic activities because participants do not receive any payment. Yet, their contribution to society is enormous — they improve public health, environmental quality, and community pride.

Festival Celebrations as Non-Economic Activities

India celebrates numerous festivals throughout the year. During these festivals, people gather to organise various activities — they decorate places together and share the food they cook. These are non-economic activities because no money is exchanged, yet they hold tremendous value by strengthening social bonds, preserving cultural heritage, and promoting unity in diversity.

COMMUNITY ACTIVITY	PURPOSE	TYPE
Swachh Bharat Abhiyan	Keeping surroundings and public places clean	Non-Economic
Van Mahotsav	Promoting tree plantation and forest conservation	Non-Economic
Langar at Gurudwaras	Serving free food to all visitors	Non-Economic
Festival Celebrations	Decorating, cooking, and celebrating together	Non-Economic
Voluntary Teaching	Teaching skills to others without payment	Non-Economic

07 Key Terms & Forms of Payment

This section consolidates all the important terms and concepts introduced in the chapter for quick revision.

Market — A place where people engage in the exchange of goods and services. People may exchange goods and services for other goods, but in most markets these are exchanged for money.

Money's Worth — The monetary value that a person places on an object based on the benefit they derive from it. It represents the usefulness of a product in terms of money.

Fee — A payment made to a person or organisation in exchange for professional advice or services. For example, a fee paid to a doctor for treatment or to a lawyer for legal advice.

Salary — A fixed regular payment, generally paid monthly by an employer to an employee. It is a predetermined amount regardless of the number of working days in the month.

Wage — A payment made by the employer to the worker for a specific period of time. Wages can be daily, weekly, or based on the amount of work done.

Payment in Kind — A non-cash payment that is received for the work performed. Instead of money, the worker receives goods (like food grains, produce, etc.) of equal value.

Comparison: Salary vs. Wage vs. Fee

FEATURE	SALARY	WAGE	FEE
Frequency	Monthly	Daily / Weekly / Hourly	Per service / Per visit
Amount	Fixed, predetermined	Variable, based on time/work	Variable, based on service
Who receives	Regular employees	Daily/casual workers	Professionals (doctors, lawyers, tutors)
Example	Geeta Aunty (pilot), Rohan (engineer)	Sahil (farm labourer)	Kavya's aunt (online tutor)

Quick Revision — Chapter Summary

- ★ Economic activities involve money; Non-economic activities do not involve money
- ★ Economic activities add value at each stage — this is called value addition
- ★ 4 forms of payment: Salary, Wage, Fee, Payment in Kind
- ★ Rajesh's example: Wood (₹600) → Chair (₹1,000) = Value Addition of ₹400
- ★ Sevā means selfless service without expecting anything in return
- ★ Swachh Bharat Abhiyan and Van Mahotsav are important community participation programmes
- ★ Non-economic activities contribute to social welfare, personal well-being, and quality of life

08 Glossary

Economic Activities

Activities that involve money or are performed in exchange for money or money's worth for the parties involved.

Non-Economic Activities

Activities that do not generate income or wealth but are done out of feelings like gratitude, love, care, and respect.

Market

A place where people engage in the exchange of goods and services. In most markets, goods are exchanged for money.

Money's Worth

The monetary value a person places on an object based on the benefit they derive from it.

Salary

A fixed regular payment, generally paid monthly by an employer to an employee for their services.

Wage

A payment made by the employer to the worker for a specific period of time, such as daily or weekly.

Fee

A payment made to a person or organisation in exchange for professional advice or services (e.g., doctor, lawyer).

Payment in Kind

A non-cash payment received for work performed — goods of equal monetary value given instead of cash.

Value Addition

The increase in value of a product at each stage of production. E.g., ₹400 value added when wood (₹600) becomes a chair (₹1,000).

Sevā

Selfless service — contributing to society without expecting anything in return, practised in temples, gurudwaras, mosques, and churches.

Langar

A community kitchen at gurudwaras where free food is served to every visitor regardless of caste, religion, or status.

Van Mahotsav

The "Festival of Forests" — an initiative in India to promote tree plantation and awareness about the conservation of forests.

09 Q&A, MCQs & Case Studies

Q1. How are economic activities different from non-economic activities?

Economic activities and non-economic activities differ in the following ways:

Economic activities are those that involve money or are performed in exchange for money or money's worth. They are carried out to earn a livelihood, generate income, or create wealth. For example, a farmer selling produce in the market, a teacher earning a salary at school, a lawyer earning a fee for arguing a case, or a truck driver transporting goods for payment.

Non-economic activities are those that do not generate income or wealth. They are done out of feelings like love, care, gratitude, and respect. For example, parents cooking food for the family, youth taking care of grandparents, volunteering to teach children for free, or participating in community cleaning drives.

The key difference is that economic activities have a monetary value attached to them, while non-economic activities are motivated by emotions and social responsibility rather than money.

Q2. What kind of economic activities do people engage in? Illustrate with examples.

People engage in a wide variety of economic activities that involve producing, buying, selling, or providing services in exchange for money. These can be broadly illustrated with examples:

Production activities: A carpenter like Rajesh buys wood for ₹600 and makes a chair which he sells for ₹1,000. A farmer grows crops and sells them in the market. Workers in a car manufacturing factory produce vehicles.

Service-based activities: A pilot like Geeta Aunty serves in the Indian Air Force and receives a salary. A post office employee like Kavya's aunt earns a monthly salary. A software engineer like Rohan works for a company and is paid for his expertise.

Professional activities: A lawyer argues cases and earns a fee. A doctor treats patients and charges for medical services. Kavya's aunt conducts online classes and charges a weekly fee.

Labour-based activities: A farm labourer like Sahil tills land using a tractor and earns a daily wage, receiving payment partly in cash and partly in kind (mangoes).

All these activities are economic because they involve payment in the form of salary, wage, fee, or payment in kind.

Q3. There is great value attached to people who are engaged in community service activities. Comment on this statement.

This statement is absolutely true. People who engage in community service activities contribute immensely to society's well-being, even though they do not receive any monetary compensation.

Community service activities such as sevā (selfless service) practised in temples, gurudwaras, mosques, and churches help foster a sense of satisfaction, gratitude, and social responsibility. For example, langars at gurudwaras serve free food to every visitor, regardless of their background — this promotes equality and compassion.

Programmes like the Swachh Bharat Abhiyan bring citizens together to keep their surroundings clean, leading to a healthier environment for everyone. Similarly, Van Mahotsav drives encourage tree plantation, which helps in environmental conservation.

People like Kabir's grandfather, who voluntarily teaches Geography to neighbourhood children for free, and Rohan, who volunteers to teach computer skills at a youth development programme, are making valuable contributions to education and skill development.

Though these activities do not generate income, they create social harmony, strengthen community bonds, improve public health, preserve the environment, and inspire others to give back to society. That is why great value is attached to people engaged in such service.

Q4. What are the various ways in which people are compensated for various economic activities? Give some examples.

People are compensated for their economic activities in four main ways:

1. Salary: A fixed regular payment, generally paid monthly by an employer to an employee. Example — Geeta Aunty receives a monthly salary as an Indian Air Force pilot. Kavya's uncle gets a salary for operating a bulldozer. Rohan earns a salary as a software engineer.

2. Wage: A payment made by the employer to the worker for a specific period of time (daily, weekly, or hourly). Example — Sahil, a farm labourer, earns a daily wage for tilling land with a tractor.

3. Fee: A payment made to a person or organisation in exchange for professional advice or services. Example — Kavya's aunt charges a weekly fee for conducting online classes. A doctor charges a fee for treating patients. A lawyer earns a fee for legal services.

4. Payment in Kind: A non-cash payment received for work performed, where the worker receives goods of equal monetary value instead of cash. Example — Sahil receives part of his payment in the form of mangoes for tilling land. This is a non-cash form of compensation equal in value to the remaining wages.

Additional Short Answer Questions

Q5. What is 'value addition'? Explain with an example from the chapter.

Value addition refers to the increase in value of a product at each stage of its production or processing. When a person uses their skill, time, effort, and tools to transform a raw material into a finished product, the difference between the cost of the raw material and the selling price of the finished product represents the value that has been added.

In the chapter, Rajesh the carpenter buys wood for ₹600 and uses his carpentry skills and tools to make a chair, which he sells for ₹1,000. The difference of ₹400 (₹1,000 – ₹600) is the value added by Rajesh. This ₹400 represents the monetary value of his skill, time, and effort that went into making the chair.

Q6. When Kabir's grandfather voluntarily teaches neighbourhood kids for free, is that an economic or non-economic activity? How is it different from school teachers teaching at school?

When Kabir's grandfather voluntarily teaches neighbourhood kids for free, it is a **non-economic activity**. He does this out of love, care, and a desire to contribute to the community — without expecting any monetary payment in return.

However, when school teachers teach students at school, it is an **economic activity**. School teachers are employed by the school and receive a regular salary for their teaching services. Their work involves a monetary transaction between the employer (school) and the employee (teacher).

The key difference lies in whether money is involved. The same activity — teaching — becomes economic when done for payment and non-economic when done voluntarily and for free.

Q7. What is 'payment in kind'? Give an example.

Payment in kind is a non-cash form of payment received for work performed. Instead of receiving money, the worker is given goods or products of equal monetary value as compensation for their labour.

In the chapter, Sahil the farm labourer earns a daily wage for tilling land. Part of his payment is in cash, and the remaining part is given in the form of mangoes of equal value. The mangoes he receives are called payment in kind.

Q8. What is the difference between 'salary' and 'wage'?

A **salary** is a fixed regular payment, generally paid monthly by an employer to an employee. It is a predetermined amount that remains the same each month. Examples include Geeta Aunty (Air Force pilot) and Kavya's aunt (post office employee).

A **wage**, on the other hand, is a payment made by the employer to the worker for a specific period of time, such as daily or hourly. Wages may vary depending on the number of days or hours worked. For example, Sahil the farm labourer earns a daily wage.

The main difference is that salary is fixed and paid monthly, while wages are variable and paid based on time worked (daily/hourly/weekly).

Q9. Explain how the same person can be engaged in both economic and non-economic activities.

A person can be engaged in both economic and non-economic activities at different times of the day or week. The chapter gives several clear examples of this:

Rohan works as a software engineer in a company during weekdays and earns a salary — this is his economic activity. On weekends, he volunteers to teach computer skills to young adults at a youth development programme for free — this is his non-economic activity.

Anu's Maa runs a shop selling uniforms and garments with Appa — this is their economic activity. She also contributes to a voluntary group that teaches knitting to women in the community — this is her non-economic activity.

Kavya's aunt wakes up early to finish household chores (non-economic), then goes to her job at the post office (economic), and in the evening conducts paid online classes (economic). This shows how a single person can seamlessly switch between economic and non-economic activities throughout the day.

Multiple Choice Questions (MCQs)

1. Which of the following is an economic activity?

- (a) A mother cooking food for her family
- (b) A volunteer cleaning a park
- (c) A farmer selling crops in the market
- (d) A youth taking care of grandparents

Answer: (c) A farmer selling crops in the market

2. Non-economic activities are driven by feelings such as:

- (a) Profit and loss
- (b) Gratitude, love, care, and respect
- (c) Competition and rivalry
- (d) Demand and supply

Answer: (b) Gratitude, love, care, and respect

3. Rajesh the carpenter buys wood for ₹600 and sells a chair for ₹1,000. What is the value added?

- (a) ₹1,000
- (b) ₹600
- (c) ₹400
- (d) ₹1,600

Answer: (c) ₹400

4. A fixed regular payment paid monthly to an employee is called a:

- (a) Wage
- (b) Fee

(c) Payment in kind

(d) Salary

Answer: (d) Salary

5. Sahil receives mangoes as part of his compensation. This is an example of:

(a) Salary

(b) Wage

(c) Fee

(d) Payment in kind

Answer: (d) Payment in kind

6. Which of the following is a non-economic activity?

(a) A doctor treating patients for a fee

(b) A truck driver transporting goods

(c) Kabir's grandfather teaching kids for free

(d) A tailor stitching clothes for sale

Answer: (c) Kabir's grandfather teaching kids for free

7. Langars at gurudwaras serving free food to all visitors is an example of:

(a) Economic activity

(b) Sevā (selfless service)

(c) Value addition

(d) Payment in kind

Answer: (b) Sevā (selfless service)

8. Van Mahotsav is celebrated in India to promote:

(a) Cleanliness of streets and roads

(b) Awareness about tree plantation and forest conservation

(c) Selling of forest products

(d) Economic activities related to timber

Answer: (b) Awareness about tree plantation and forest conservation

9. Which activity performed by Kavya's aunt is a non-economic activity?

(a) Working at the post office

(b) Conducting online classes for a fee

(c) Finishing household chores

(d) Both (a) and (b)

✔ Answer: (c) Finishing household chores

10. The payment made to a doctor or lawyer for professional services is called a:

- (a) Salary
- (b) Wage
- (c) Fee
- (d) Payment in kind

✔ Answer: (c) Fee

11. Which of the following is NOT a form of compensation mentioned in the chapter?

- (a) Salary
- (b) Commission
- (c) Wage
- (d) Payment in kind

✔ Answer: (b) Commission

12. Swachh Bharat Abhiyan is an example of:

- (a) Individual economic activity
- (b) Collective community participation
- (c) Value addition in production
- (d) Payment in kind

✔ Answer: (b) Collective community participation

Case-Based Questions

Case Study 1: Kavya's Visit to Kamlapur

Kavya visited her aunt's house in the village of Kamlapur. Her uncle works as a technician in a construction company, operating a bulldozer at a highway construction site. He receives a monthly salary. Her aunt works at the village post office for a monthly salary, and in the evening, she conducts online classes for students, charging a weekly fee. On the weekend, Kavya visited a mango orchard where she saw Sahil, a farm labourer who uses a tractor to till land. He earns a daily wage — partly in cash and partly in the form of mangoes.

1. How many economic activities are described in the passage? Name them.
2. What form of payment does Kavya's uncle receive?
3. How is Sahil's compensation different from Kavya's aunt's compensation at the post office?
4. What is the non-cash portion of Sahil's payment called?

1. Four economic activities are described: (i) Kavya's uncle operating a bulldozer at the construction company, (ii) Kavya's aunt working at the village post office, (iii) Kavya's aunt conducting online classes

for a fee, and (iv) Sahil tilling a farmer's land.

2. Kavya's uncle receives a monthly salary for his services as a technician.
3. Sahil receives a daily wage, which includes both cash and mangoes (payment in kind). Kavya's aunt receives a fixed monthly salary from the post office. Sahil's payment is variable and daily, while the aunt's salary is fixed and monthly. Also, Sahil's payment includes a non-cash component.
4. The non-cash portion of Sahil's payment (mangoes) is called payment in kind.

Case Study 2: Rohan's Week

Rohan is Anu's elder brother. He is a software engineer and works in a company that makes computer applications. He receives a monthly salary for his work. On the weekends, he volunteers to teach computer skills to those who have joined the youth development programme of the nearby college. He does not charge any money for this teaching.

1. Which of Rohan's activities is an economic activity? Why?
2. Which of Rohan's activities is a non-economic activity? Why?
3. What form of compensation does Rohan receive for his economic activity?
4. Why is Rohan's weekend volunteer teaching considered valuable even though he earns no money?

1. Rohan's work as a software engineer in the company is an economic activity because he receives a monthly salary in exchange for his professional services. It involves earning money.
2. Rohan's volunteer teaching of computer skills at the youth development programme is a non-economic activity because he does not charge any money. He does it out of a desire to help the community.
3. Rohan receives a monthly salary for his economic activity as a software engineer.
4. Rohan's volunteer teaching is valuable because it helps young adults gain computer skills that can improve their career prospects. Non-economic activities like this contribute to social welfare, skill development, and community upliftment — even without monetary compensation.

Case Study 3: Rajesh's Carpentry Business

Rajesh is a carpenter. He buys wood from a nearby market for ₹600. Using his special tools, skill, time, and effort, he builds a chair from the wood. He sells the chair in the market for ₹1,000. His neighbour Meena, on the other hand, spends her evenings volunteering at a local shelter, cooking and serving food to homeless people without any payment.

1. Calculate the value added by Rajesh in making the chair.
2. What does the value added represent?
3. Is Rajesh's carpentry work an economic or non-economic activity? Give a reason.
4. How would you classify Meena's activity? Why is it still valuable?











1. Value added = Selling price of chair – Cost of wood = ₹1,000 – ₹600 = ₹400.

2. The ₹400 represents the monetary value of Rajesh's skill, time, and effort that went into transforming raw wood into a finished chair. It is the value he has added to the raw material through his carpentry work.

3. Rajesh's carpentry work is an economic activity because it involves buying raw materials and selling finished products for money. From purchasing wood to selling the chair, every step involves payment — making it a part of economic activities.


4. Meena's activity is a non-economic activity because she volunteers without receiving any payment. However, it is still extremely valuable because she provides essential help to homeless people, contributes to social welfare, and demonstrates sevā (selfless service). Non-economic activities like hers strengthen community bonds and improve the quality of life for those in need.

Exam Tips for Chapter 13

-  Always remember the 2 broad categories: Economic activities (involve money) and Non-economic activities (done out of love, care, respect)
-  Memorise the 4 forms of payment: Salary, Wage, Fee, and Payment in Kind — with one example each
-  The value addition calculation ($₹1,000 - ₹600 = ₹400$) is a frequently asked numerical — know the formula:
Value Added = Selling Price – Cost of Raw Material
-  The same person can do both economic and non-economic activities — use Rohan's or Anu's Maa's example to illustrate
-  Know the difference between salary (monthly, fixed) and wage (daily/hourly, variable)
-  Sevā, Langar, Swachh Bharat Abhiyan, and Van Mahotsav are important examples of non-economic activities — remember at least 2
-  For long answer questions, always give examples from the chapter (Geeta Aunty, Rajesh, Sahil, Rohan, Kavya's aunt)
-  Understand "money's worth" — it means the monetary value placed on an object based on its usefulness
-  Practice distinguishing whether an activity is economic or non-economic — exams often give tricky scenarios
-  For case-based questions, read the passage carefully and identify which characters are doing economic vs. non-economic activities and their form of payment

UNIQUE STUDY POINT

Prepared by Sumeet Sahu | Amitesh Nagar, Indore (M.P.)
Coaching for Classes VI–XII | Maths, Science & Social Science

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