

BUSINESS STUDIES · CHAPTER 1

Business, Trade and Commerce

A 1-page guide for parents · 90-second read.

EXPECTED MARKS

6-8 out of the chapter's slice. Below 4 means the classification framework is not yet clear.

TIME TO MASTER

5-7 hrs

HELPLINE

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WHAT THIS CHAPTER IS, IN PLAIN ENGLISH

This is the very first chapter of Business Studies. Your child learns what a BUSINESS actually is, how it differs from a PROFESSION (like a doctor or CA) and from EMPLOYMENT (a salaried job), and how India's trade and commerce grew historically (from the Indus Valley and Maurya periods to indigenous bankers and the hundi credit system). They then learn to CLASSIFY business activities into INDUSTRY (which makes goods — mining, manufacturing, construction, services) and COMMERCE (which moves and sells goods through trade plus support services called auxiliaries — transport, banking, insurance, warehousing, advertising). They also learn the objectives of business, why profit matters, and what business risk is.

5 QUESTIONS TO ASK YOUR CHILD

- What is the difference between business, profession and employment? Give the reward each earns.
- Name the three types of industry and give one example of each.
- What are the five auxiliaries (aids) to trade, and which hindrance does each one remove?
- What is business risk and why can it never be fully eliminated?
- Name two historical trade centres of India and explain what a 'hundi' was.

WEAK-SPOT INDICATORS

- Cannot draw the business → industry + commerce classification tree.
- Confuses commerce with trade (commerce = trade + auxiliaries).
- Places construction under tertiary/services (it is secondary).
- Thinks profit is the ONLY objective of business.
- Cannot pair each auxiliary with the hindrance it removes.

WHEN TO WORRY — AND WHAT TO DO

This chapter is conceptual and definition-heavy. Students who struggle usually memorise lists without understanding the logic (e.g. WHY warehousing removes a time hindrance). The fix is to draw the classification tree by hand twice a week and write one full distinguish-type answer.

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