

BUSINESS STUDIES · CHAPTER 4

Business Services

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

EXPECTED MARKS

8-10 out of the chapter's slice. Below 5 means the banking and insurance frameworks are not yet clear.

TIME TO MASTER**6-8 hrs****HELPLINE****70330 05444****WHAT THIS CHAPTER IS, IN PLAIN ENGLISH**

This chapter teaches your child about the SERVICES that keep businesses running. It begins by explaining how a SERVICE (a haircut, a bank loan, an insurance cover) is different from a physical GOOD — services cannot be touched, cannot be stored, vary from one occasion to the next, and are produced and used at the same moment. It then studies five key business services in depth: BANKING (the kinds of banks, what a commercial bank actually does — taking deposits and giving loans, plus agency and utility services — the different bank accounts, and modern e-banking like RTGS and NEFT), INSURANCE (its guiding principles such as utmost good faith and insurable interest, and the main types — life, fire, marine), TRANSPORT, WAREHOUSING (storage), and COMMUNICATION.

5 QUESTIONS TO ASK YOUR CHILD

- How is a service different from a good? Name the five features.
- What are the primary and secondary functions of a commercial bank?
- What is the difference between a savings account and a current account?
- Name the principles of insurance — and which type of insurance does indemnity NOT apply to?
- What is the difference between RTGS and NEFT?

WEAK-SPOT INDICATORS

- Cannot list the five features of services with an example each.
- Thinks a bank's only job is to keep money safe (forgets advancing loans).
- Says the principle of indemnity applies to life insurance (it does not).
- Confuses RTGS with NEFT, or savings with current accounts.
- Mixes up subrogation and contribution.

WHEN TO WORRY — AND WHAT TO DO

This chapter is definition-heavy and full of close distinctions (RTGS vs NEFT, savings vs current, subrogation vs contribution). Students who struggle usually memorise lists without grasping the contrast. The fix is to make two-column comparison tables and write one full 'functions of a commercial bank' and one 'principles of insurance' answer.

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