



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution

STUDY MATERIAL-4

CLASS -XI



SUBJECT -BSTD CHAPTER 1-Nature and purpose of Business- Aids to Trade Date - 25.06.20

Aids or Auxiliaries to Trade- Definition

Aids or Auxiliaries to Trade refers to facilitating activities which provide support services to industry and trade.

- **Transport and Communication** Transport refers to the movement of goods from one place to another. Communication helps in exchange of information between producers, consumers and traders etc.
- **Banking and Finance** Bank and financial institutions provides credit facility, loan etc. to provide finance for smooth now of business activities.
- **Insurance** Businessmen have to bear various types of risks, Insurance provides protection from Some kinds of risk such a risk of loss due to fire, theft, accident etc.
- **Ware Housing** Ware housing helps to businessmen to over come the problem of storage. Ware houses are constructed keeping in mind the nature of goods.
- **Advertising** Practically It IS impossible for a manufacturer and trader to contract each and every customer. Advertisement helps to over come this problem.
- **Communication** is the process of transmission of ideas and information from one person to another media channels for business communication include internet print media radio television social networking and word of mouth.

Ques. How can various obstacles in business be removed ?

Ans - In the course of exchange of goods and services various problems are encountered. The following services are essential to overcome these difficulties

1. Transportation removes hindrance of place.
2. Banking removes hindrance of finance.
3. Warehousing removes hindrance of time.
4. Insurance removes hindrance of risk.
5. Advertising removes branch of knowledge.
6. Communication removes hindrance of information.

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