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Answers Key:

IV.Answer all the questions.

1. Comparison between Industry, commerce and Trade

Basis	Industry	Commerce	Trade
(1) Meaning	Extraction, reproduction, conversion, processing and construction of useful products.	Activities involving distribution of goods and services.	Purchase and sale of goods and services.
(2) Scope	Consists of all activities involving conversion of materials and semi-finished products into finished goods.	Comprises trade auxiliaries to trade.	Comprises exchange of goods and services.
(3) Capital	Generally large amount of capital is required.	Need for capital is comparatively less.	Small capital is needed to maintain stock and to grant credit.
(4) Risk	Risk involved is usually high.	Relatively less risk is involved	Relatively less risk is involved
(5) Side	It represents supply side of goods and services.	It represents demand side of goods and services	It represents both supply and demand
(6) Utility Creation	It creates form utility by changing the form or shape of materials.	It creates place utility by moving goods from producers to consumers	It creates possession utility through exchange.

2. **(a) Analytical Industry :**
   Analytical Industries analyses and separates different elements from the same materials, as in the case of oil refinery.
   (b) Genetic Industry:
   (1) These Industries remain engaged in breeding plants and animals for their use in further production.
   (2) The seeds nursery companies, poultry, dairy, piggery, hatcheries, nursery, fisheries, apiary, etc. are classic examples of genetic industries.
   (c) Construction Industry:
   These Industries are involved in the construction of Buildings, Dams, Bridges, Roads, as well as tunnels and Canals.
   d) Extractive Industries:
   These industries extract or draw out products from natural sources. Extractive industries supply some raw materials that are mostly products of geographical and natural environment.

III.Answer all the questions.

3. Selling all the goods produced at or near the production place is not possible.Hence, goods are to be sent to different places where they are demanded. The medium which moves men and materials from one place to another place is called transport.
4. Tertiary industries do not produce any goods. These Industries produce utility services and sell them at a profit. They help trade, Industry and Commerce. This term also includes auxiliaries to trade like banking, insurance, warehouse, advertisement etc.
5. Secondary industries are concerned with using the materials which have already been extracted at the primary stage. These industries process such materials to produce goods for final consumption or for further processing by other industrial units. For example mining of an iron ore is a primary industry, but manufacturing of steel by way of further processing of raw irons is a secondary industry.

II.Answer all the questions.

6. Commerce refers to all those activities which are necessary for bringing goods from the place of production to the place of their consumption.
7. Industry refers to economic activities, which are connected with conversion of resources into useful goods.
8. Trade is an essential part of commerce. The term 'Trade' is used to denote buying and selling.

I.Multiple Choice Questions.

9. (c) Extraction Industries
10. (c) Processing Industry
11. (a) Industry
12. (a) demand
13. (b) economic