Understanding Markets

A. Tick the correct option:

1. (c) A place where buying and selling happens.

2. (c) Negotiate and bargain

3. (b) Hampi Bazaar

4. (c) Agreement on price

B. Fill in the blanks:

1. weekly haat

2. bulk quantities

3. ensure fairness and protect markets

4. FSSAI (for food packets)

C. Very short answer type questions:

1. A place where buyers and sellers come together to buy or sell goods and services.

2. Amazon.

3. A seller who sells goods in smaller quantities to final consumers.

4. Maximum Retail Price

D. Short answer type questions:

1. Difference between retailer and wholesaler:

a) Wholesalers purchase goods in bulk quantities directly from producers or manufacturers and store them in large warehouses called godowns. They supply goods to retailers.
b) Retailers, on the other hand, buy goods from wholesalers and sell them in smaller quantities directly to final consumers.

2. Features of weekly market are:

a) Weekly market is held once a week on a fixed day at a particular place.
b) Different goods are sold at reasonable prices.

3. Neighborhood shops are important because:

a) They are close to people's homes, open on all days of the week.
b) Allow consumers to buy daily goods conveniently whenever needed.

4. **Advantages of online markets:**

a) They offer convenience as customers can shop from anywhere.
b) They provide a wide variety of products with 24/7 availability and home delivery.

Disadvantages of online markets:

a) Consumers cannot physically examine the product before buying.
b) There may be delivery delays and risks of fraud.

E. Long answer type questions:

1. Markets exist in different forms such as physical markets, online markets, domestic markets and international markets.

a) **Physical markets**: Physical markets include neighborhood shops, weekly haats and shopping malls where consumers can check product quality and enjoy personal interaction.
b) **Online markets**: Online markets allow people to shop anytime from anywhere with home delivery and a wide variety of items.
c) **Domestic markets**: Domestic markets operate within a country and make national goods easily available.
d) **International markets**: International markets allow consumers to access imported products that may not be produced locally.
e) **Wholesale and retail markets**: These markets also help by ensuring a steady supply of goods and making them available in smaller quantities to consumers.

2. **Role of Wholesalers and Retailers in the Chain of Distribution:**

a) Wholesalers buy goods in large quantities from manufacturers and sell them to retailers.
b) Retailers buy goods from wholesalers and sell them in small quantities to customers.
c) Wholesalers help store and transport goods, making products available in different places.
d) Retailers provide a variety of products and make shopping easy for consumers.
e) Both wholesalers and retailers connect manufacturers with consumers, ensuring goods reach customers smoothly.

3. Prices in a market are mainly decided by the demand and the supply. If demand is higher than supply, prices usually go up. If supply is higher than demand, prices usually go down.

Factors that influence price changes:

1. **Cost of production:** If the cost of making goods increases, prices may also increase.

2. **Season and weather:** Prices of fruits and vegetables often change with the season.

3. **Government policies:** Taxes, subsidies, and price controls can affect the prices of goods.

4. Benefits provided by markets to the society:

a) **Provide goods and services:** Markets make different products easily available to people.
b) **Create employment:** Markets provide jobs for farmers, workers, traders, transporters, and shopkeepers.
c) **Support businesses:** They help producers and sellers earn income and grow their businesses.
d) **Improve living standards:** Markets give people more choices, better quality products, and fair prices through competition.
e) **Promote economic growth:** Buying and selling increase trade, production, and the country's economy.