

Understanding Markets

Section A: Fill in the blanks.

1. In economics, something we desire but is not essential for survival is called a _____.
2. A _____ market is where buyers and sellers meet physically.
3. Goods and services bought and sold within a country form the _____ market.
4. Goods traded between two or more countries form the _____ market.
5. Wholesalers buy goods in _____ quantities from producers or manufacturers.
6. The artist Aakriti finds it difficult to sell her paintings because there are fewer _____.
7. The Ima Keithal or Mother's Market in Manipur is run entirely by _____.
8. Factories that pollute the environment show the _____ effects of markets.
9. _____ ensures the quality of products like cereals, pulses, and spices.
10. FSSAI ensures that the food meets _____ standards.

Section B: Match the following.

A	B	Ans.
a. Buying goods from other countries	i. Maximum price	a. _____
b. Selling goods to other countries	ii. Minimum price	b. _____
c. The amount of goods consumers want to buy	iii. Supply	c. _____
d. The amount of goods sellers are willing to sell	iv. Export	d. _____
e. Government-fixed highest price for a product	v. Demand	e. _____
f. Government-fixed lowest price for a product	vi. Import	f. _____

Section C: Choose the correct option and tick (✓) the right answer.

1. The Hampi Bazaar was located in which Indian state?

a) Tamil Nadu	☐	c) Karnataka	☐
b) Maharashtra	☐	d) Gujarat	☐
2. The Portuguese traveller Fernao Nuniz wrote about _____ being sold in Hampi Bazaar.

a) Spices and gems	☐	c) Woollen clothes	☐
b) Iron tools	☐	d) None of these	☐
3. Which of the following is an example of a physical market?

a) Amazon	☐	c) Zomato	☐
b) Flipkart	☐	d) Weekly haat	☐

4. Goods like books, clothes, and electronics can be purchased easily from _____.
 a) Physical markets only ☐
 b) Online markets ☐
 c) Domestic markets only ☐
 d) Wholesale markets only ☐
5. A person or company that makes goods for sale is called a _____.
 a) Manufacturer ☐ c) Retailer ☐
 b) Distributor ☐ d) Consumer ☐
6. The special warehouses designed to store perishable goods are called _____.
 a) Aggregators ☐ c) Cold storage ☐
 b) Godowns ☐ d) Distributors ☐
7. The primary role of the market is to promote _____ activities.
 a) Religious ☐ c) Cultural ☐
 b) Economic ☐ d) Political ☐
8. Which of the following goods are examples of public goods?
 a) Cars and mobiles ☐ c) Medicines and clothes ☐
 b) Groceries and electronics ☐ d) Parks and roads ☐
9. The ISI mark is issued by _____.
 a) Bureau of Energy Efficiency ☐
 b) Food Corporation of India ☐
 c) Bureau of Indian Standards ☐
 d) Agricultural Department of India ☐
10. The BEE Star rating is used for _____.
 a) Agricultural products ☐
 b) Electrical and electronic appliances ☐
 c) Food items ☐
 d) Clothing and textiles ☐

Section D: Write T for True and F for False in the box.

1. Markets also help connect people, traditions, and ideas. ☐
2. Domestic markets deal with goods within a country's borders. ☐
3. Retailers usually sell goods in bulk to wholesalers. ☐
4. Wholesalers purchase goods directly from consumers. ☐
5. Online shopping has made it easier to purchase products from anywhere. ☐

6. Manufacturers sell products only to the final consumer.
7. International markets exist within a single country.
8. The government fixes both maximum and minimum prices to ensure fairness.
9. Too many government rules can make it difficult for markets to function.
10. The main goal of markets is to harm the environment.

☐
☐
☐
☐
☐

Section E: Answer the following questions.

1. List other names for markets in India.

Ans. _____

2. Give two examples of physical markets.

Ans. _____

3. Give an example of a market run by women.

Ans. _____

4. What are Mandis used for?

Ans. _____

5. State the importance of the market in our daily lives.

Ans. _____

6. How do domestic and international markets differ?

Ans. _____

7. Explain the role of wholesalers, retailers and distributors in the market?

Ans. _____

8. How does the Hampi Bazaar illustrate the historical significance of markets?

Ans. _____

9. What features are necessary for a place to be called a market?

Ans. _____

10. What is the role of wholesalers in the supply chain?

Ans. _____

Section F: Long Answer Questions.

1. In what ways does the government control market prices, and why is it necessary to do it carefully?

Ans. _____

2. How does the government mitigate the harmful effects of markets on the environment and consumers?

Ans. _____

3. Riya is buying a new refrigerator with her mother. She notices star symbols on the fridge. Her mother says, "Check how many stars it has." Why is her mother saying this, and what do the stars mean?

Ans. _____

Section G: Give reason.

1. Why is price an important feature of a market transaction?

Ans. _____

2. Why is Hampi Bazaar famous?

Ans. _____

3. Why are cold storage facilities important for wholesalers?

Ans. _____

4. Why do vegetable prices drop late at night in weekly markets?

Ans. _____

5. Why does the government provide services like roads and police instead of private sellers?

Ans. _____

Section H: Underline or circle the word that does not belong to the group.

1. FSSAI – ISI – AGMARK – Paytm
2. Producer – Seller – Buyer – Road
3. BIS – BEE – FCI – Domingos Paes
4. Export – Import – Transport – Tailor

Section I: Write the full form of the following terms.

1. FSSAI – _____
2. ISI – _____
3. BEE – _____
4. AGMARK – _____

Answer**Section A: Fill in the blanks**

- | | | |
|------------------|-------------|------------------------|
| 1. Want | 5. Large | 9. AGMARK |
| 2. Physical | 6. Buyers | 10. Safety and quality |
| 3. Domestic | 7. Women | |
| 4. International | 8. External | |

Section B: Match the following

a – vi b – iv c – v d – iii e – i f – ii

Section C: MCQs

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|-----------------------|-----------------------|---|
| 1. c) Karnataka | 5. a) Manufacturer | 9. c) Bureau of Indian Standards |
| 2. a) Spices and gems | 6. c) Cold storage | |
| 3. d) Weekly haat | 7. b) Economic | 10. b) Electrical and electronic appliances |
| 4. b) Online markets | 8. d) Parks and roads | |

Section D: True or False

1. True 2. True 3. False 4. False 5. True 6. False
7. False 8. True 9. True 10. False

Section E: Short Answer Questions

- Other names for markets in India:
Bazaar, haat, mārukatté (Kannada), santhe, shandy, mandi.
- Examples of physical markets:
Weekly haat, local vegetable market, or shopping mall.
- Market run by women:
Ima Keithal (Mother's Market) in Manipur.
- Mandis are used for: Selling agricultural produce such as grains, fruits, and vegetables in bulk.
- Importance of markets in daily life: Markets help people buy and sell goods and services they need, create employment, and connect producers with consumers.
- Difference between domestic and international markets: Domestic markets trade within the country; international markets trade across national borders.
- Role of wholesalers, retailers, and distributors: Wholesalers buy goods in bulk from producers; retailers sell goods to final consumers; distributors bridge the gap between wholesalers and retailers.
- Historical significance of Hampi Bazaar: Hampi Bazaar was a prosperous market during the Vijayanagara Empire, selling gems, silk, grains, and animals—showing India's rich trade history.
- Features of a market: Buyers and sellers, exchange of goods or services, and agreement on price.
- Role of wholesalers in supply chain: They purchase goods in bulk, store them, and distribute them to retailers, ensuring steady product availability.

Section G: Long Answer Questions

1. Government control of market prices: The government fixes maximum prices to protect consumers from overpricing and minimum prices (like MSP) to safeguard farmers from losses. This must be done carefully—too high a price harms buyers, while too low discourages producers.
2. Government role in mitigating harmful effects: The government checks pollution from industries, bans harmful products like single-use plastics, ensures food and drug safety, and enforces fair weights and measures to protect both consumers and the environment.
3. Refrigerator star ratings (Riya's example): The stars are BEE Star Ratings that show energy efficiency. More stars mean the appliance consumes less electricity—saving money and reducing environmental impact. Her mother wants her to pick an energy-efficient refrigerator.

Section H: Give Reason

1. Price determines the value of goods and helps buyers and sellers agree on a fair exchange.
2. It was a major trade center in the Vijayanagara Empire, known for gems, silk, and agricultural products.
3. It preserves perishable goods like fruits, vegetables, and dairy, preventing spoilage.
4. Sellers reduce prices to clear leftover stock since unsold vegetables may spoil by the next day.
5. Roads, parks, and policing are public goods—non-profitable but necessary for everyone's welfare—so only the government provides them.

Section H: Odd One Out

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|----------|---------|------------------|-----------|
| 1. Paytm | 2. Road | 3. Domingos Paes | 4. Tailor |
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Section I: Full Forms

1. FSSAI – Food Safety and Standards Authority of India
2. ISI – Indian Standards Institution
3. BEE – Bureau of Energy Efficiency
4. AGMARK – Agricultural Marketing