

Name: _____ Date: _____

Markets Around Us

Q1. Why don't we buy directly from the factory or from the farm?

Ans. _____

Q2. Who is a retailer? Give some examples.

Ans. _____

Q3. How are shops in neighborhood useful to us?

Ans. _____

Q4. Why are goods sold in permanent shops costlier than those sold in the weekly markets or by roadside hawkers?

Ans. _____

Q5. Why is a wholesale trader necessary?

Ans. _____

Markets Around Us

Q1. Why don't we buy directly from the factory or from the farm?

Ans. We don't buy directly from the factory or from the farm because producers would not be interested in selling us small quantities such as one kilo of vegetables or one plastic mug.

Q2. Who is a retailer? Give some examples.

Ans. The trader, who finally sells goods to the consumer, is the retailer. This could be a trader in a weekly market, a hawker in the neighbourhood or a shop in a shopping complex.

Q3. How are shops in neighborhood useful to us?

Ans. Shops in the neighbourhood are useful in many ways. They are near our home and we can go there on any day of the week. Usually, the buyer and seller know each other and these shops also provide goods on credit.

Q4. Why are goods sold in permanent shops costlier than those sold in the weekly markets or by roadside hawkers?

Ans. This is because when shops are in permanent buildings, they incur a lot of expenditure – they have to pay rent, electricity, fees to the government. They also have to pay wages to their workers.

Q5. Why is a wholesale trader necessary?

Ans. The people in between the producer and the final consumer are the traders. The wholesale trader first buys goods in large quantities. These will then be sold to other traders. In these markets, buying and selling takes place between traders. It is through these links of traders that goods reach faraway places.