

Name: _____ Date: _____

Markets Around Us

Q1. Explain with an example how people bargain in the market. Can you think of a situation where the bargain would be unfair?

Ans. _____



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Ans. Bargaining is a type of negotiation in which the buyer and seller of a good or service debate the price and exact nature of a transaction. If the bargaining produces agreement on terms, the transaction takes place.

Example:

Reena asked the shopkeeper "how much this bag for?"

Shopkeeper replied "1000 rupees".

Reena instantly replied, "400 rupees".

Shopkeeper laughed and said, "Not possible".

Reena replied, "700 rupees" and this is the final price.

Shopkeeper replied, "Ok" and hand over the bag to Reena.

Bargaining would be unfair in the following cases:

- i. When the thing we are getting is already at the lowest price and is of good quality.
- ii. When the person selling the item is economically weak and his livelihood depends on what he sells.