

Name: \_\_\_\_\_ Date: \_\_\_\_\_

A Shirt in the Market

Q1. What is putting-out arrangement?

Ans. \_\_\_\_\_  
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Q2. What are the reasons that the businessperson is able to make a huge profit in the market?

Ans. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Q3. Why did the trader pay Swapna a low price?

Ans. \_\_\_\_\_  
\_\_\_\_\_  
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Q4. Merchants hold lot of power. Explain

Ans. \_\_\_\_\_  
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## A Shirt in the Market

Q1. What is putting-out arrangement?

Ans. It is an arrangement between the merchant and the weavers whereby the merchant supplies the raw material and receives the finished product. It is prevalent in the weaving industry in most regions of India.

Q2. What are the reasons that the businessperson is able to make a huge profit in the market?

Ans. Business person do business strictly on their own terms. They demand the lowest prices from the supplier and sells at higher rate to high income group.

Q3. Why did the trader pay Swapna a low price?

Ans. The trader had lent Swapna money at the beginning of the cropping season on a condition that she would sell all her cotton to him. Thus, Swapna was in his grip. The trader took advantage of this situation and paid her a low price.

Q4. Merchants hold lot of power. Explain

Ans. The merchant distributes work among the weavers based on the orders he has received for cloth. The weavers get the yarn from the merchant and supply him the cloth. However, this dependence on the merchants both for raw materials and markets means that the merchants have a lot of power.