

Chapter-12 | Understanding
Markets

Worksheet-1

JINENDER SONI
Founder, MISSION GYAN

Multiple Choice Questions

- A market is best described as:**
 - A place where people buy and sell goods and services
 - A place only for entertainment
 - A government office
 - A storage house
- Which of the following is an example of a physical market?**
 - Online shopping website
 - Mobile app store
 - Weekly haat
 - Stock exchange website
- The price of a product is the amount at which:**
 - The government fixes the value
 - A buyer and seller agree to exchange
 - The producer demands profit
 - The retailer pays tax
- Negotiation between buyers and sellers usually takes place in:**
 - Online markets only
 - Supermarkets only
 - Wholesale warehouses
 - Local markets
- Which factor mainly helps decide prices in a market?**
 - Demand and supply
 - Government officers
 - Distance from home
 - Packaging style
- A market where goods are bought and sold within a country is called:**
 - International market
 - Wholesale market
 - Domestic market
 - Online market
- Who buys goods in large quantities directly from producers?**
 - Consumers
 - Retailers
 - Aggregators
 - Wholesalers
- Which of the following sells goods in small quantities to consumers?**
 - Manufacturer
 - Wholesaler
 - Distributor
 - Retailer
- Online platforms that bring together many sellers are called:**
 - Retailers
 - Producers
 - Aggregators
 - Distributors

10. Which government mark ensures food safety and quality in India?

- (a) ISI
- (b) AGMARK
- (c) BEE Star
- (d) FSSAI

Fill in the blanks :

11. A market requires both a _____ and a _____ to complete a transaction.
12. The interaction of demand and supply helps determine the _____ of goods.

True / False

13. Markets exist only in physical places like bazaars.
14. The government sometimes controls prices to protect buyers and sellers.

Very Short Type Questions

15. What is meant by demand?
16. Name any one type of market.

Short Type Questions

17. How do wholesalers and retailers help consumers?
18. Why do prices of vegetables often fall late at night in weekly markets?

Essay Type Questions

19. Explain the different types of markets found around us.
20. Describe the role of the government in ensuring fair markets and consumer protection.

HOTS

21. **Assertion (A):** Markets help producers understand what consumers want.
Reason (R): Consumers' demand guides producers on what goods and services to produce.
Choose the correct option:
- a) Both A and R are true, and R correctly explains A
 - b) Both A and R are true, but R does not explain A
 - c) A is true, but R is false
 - d) A is false, but R is true

**CBSE CLASS-7 | Geography****Chapter-12 | Understanding Markets****Worksheet-1****Answer & Solution**

1. (a) A place where people buy and sell goods and services
2. (c) Weekly haat
3. (b) A buyer and seller agree to exchange
4. (d) Local markets
5. (a) Demand and supply
6. (c) Domestic market
7. (d) Wholesalers
8. (d) Retailer
9. (c) Aggregators
10. (d) FSSAI
11. Buyer, seller
12. Price
13. False
14. True
15. Demand is the quantity of a good or service that consumers are willing and able to buy at a given price.
16. Any one: physical market / online market / domestic market / international market.
17. Wholesalers buy goods in bulk from producers and store them. Retailers buy from wholesalers and sell goods in small quantities to consumers. Together, they ensure goods reach households easily and regularly.
18. Late at night, sellers want to clear unsold vegetables before they spoil. As demand reduces and supply remains, prices are lowered to attract buyers.
19. Markets exist in many forms such as physical markets like weekly haats, local shops, malls, and online markets using apps and websites. Markets can also be domestic or international depending on where trade takes place. Each type helps connect buyers and sellers and makes goods and services available.
20. The government regulates markets by controlling prices of essential goods, ensuring minimum wages, and maintaining quality and safety standards. It also checks weights, measures, and certification marks like FSSAI, ISI, and AGMARK to protect consumers from unfair practices.
21. **Correct option: (a)**
Explanation: Both the assertion and reason are true. Consumer demand signals producers about what to produce, helping markets function efficiently.