

**National Institute of Open Schooling  
Sr. Secondary class - Economics (318)**

**Lesson – 21 : Forms of Market**

**Worksheet - 21**

1. “In Economics, the concept of market is not confined only to one particular area but is also a process/mechanism”. List out various features of the market on the basis of the above statement.
2. You are suggested to collect data like number of firms, basis of collected competitions and degree of product differentiation of 10 companies at state and national level. On the basis of collected information, make classification of different types of market.
3. You make a visit to the industrial area of your locality and find that a large number of small firms are operating in that industrial region selling similar products. You Collect information regarding selling prices of various firms. Finally, you have come to the conclusion that no firm can charge higher/lower price for products. On the basis of the above information, answer the following:
  - a) Identify the type of market and the process of price determination in such a type of market.
  - b) Distinguish between firm and industry.
  - c) A firm is price taker not a price maker.
  - d) Nature of demand curve is parallel to x – axis.
4. No advertisement cost is made by a Firm over the period of time for the production of pulses. Besides this, there is no restriction on entry and exit of the firm in the market. To support the statement give reasons and also identify the type of market.
5. The nature of the demand curve is less elastic in the Monopoly market and more elastic in the monopolistic market. Explain the reason with the help of a diagram.
6. The monopolistic market competition makes a large amount of expenditure being a market leader. Discuss the reasons with suitable examples.
7. Firm x enjoys status as price maker of it's product in place of being a price taker of the product which is used for mass consumption. Justify the statement.
8. Maruti Company is increasing the price of four – wheelers whereas Tata is not showing any response against its competitor. Explain the situation in the context of the features of oligopoly markets.
9. “Sometimes oligopolistic firms behave like monopolist firms.” Support the statement with suitable examples.
10. a) During the festive season, electronic companies are following the principle of cut - throat competition in the market in offering gifts and discounts to their customers. Explain reasons with suitable examples.

b) Super Surf has proved its brand value in the market over the period of time and is maintaining maximum share in the present scenario in washing powder market. Explain this statement in the context of the most important feature of monopolistic markets.