



Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10th

(Based on N C E R T pattern)

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ECONOMICS

Globalisation and the Indian Economy

Question 1.

How has globalization benefitted India? Explain with five examples.

Answer:

Globalization has benefitted India in the following ways:

1. People with education, skill and wealth have benefitted by globalization.

- Greater competition among producers (both local and foreign) has been advantageous to consumers, particularly the well-off section. Rich people enjoy improved quality at lower prices for several products and enjoy a higher standard of living.
- MNCs have increased their investments in India over the past 20 years in industries such as cell phones, automobiles, electronics, soft drinks, fast food and services such as banking.
- New jobs have been created in all these industries and services.
- Top Indian companies have benefitted from the increased competition. They have invested in newer technology and production methods.

- Some Indian companies have gained from successful collaborations with foreign companies. Globalization has enabled some companies to emerge as multinationals.

Question 2.

How is the Government of India trying to attract more foreign investment? Explain with examples.

Answer:

In order to attract foreign investment, the Government has taken the following steps:

1. All the barriers and restrictions on foreign trade and investment have been removed to a large extent.
2. Liberalization of investment policies has allowed Indian producers to compete with the producers around the globe.
3. Allowing privatization of many public sector industries by the government.
4. Allowing businesses to make decisions freely about what they wish to import or export.
5. The government has allowed flexibility in labour laws to attract foreign investment for the benefit of companies.

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