



Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10th

(Based on N C E R T pattern)

Date:- 02.01.21.

ECONOMICS

Globalisation and the Indian Economy

Question 1.

Give one characteristic feature of a 'Special Economic Zone'?

Answer:

Special Economic Zones or SEZs are industrial zones set up by the government having world class facilities such as electricity, water, roads, transport, storage, recreational and educational facilities. Companies who set up production units in SEZs are exempted from taxes for an initial period of five years.

Question 2.

Name an important barrier on foreign trade.

Answer:

Tax on imports is an important barrier on foreign trade.

Question 3.

What is meant by "fair globalization"?

Answer:

Fair globalization means globalization that would create opportunities for all and ensure that its benefits are shared better.

Question 4.

What do you understand by the term 'Foreign Direct Investment'?

Answer:

FDI is the investment of foreign capital in the economic and productive activities of a country by foreign companies or MNCs with the aim of expanding capacity and production to earn profits.

Question 5.

Why had the Indian Government put barriers to foreign trade and foreign investment after independence? State any one reason.

Answer:

The Indian government after independence had put barriers to foreign trade and investment.

- This was done to protect the producers within the country from foreign competition.
- To protect the Indian economy from foreign infiltration in industries affecting the economic growth of the country as planned.

Question 6.

What is meant by trade barrier?

Answer:

Barriers or restrictions that are imposed by the government on free import and export activities are called trade barriers. Tax on imports is an example of a trade barrier because it increases the price of imported • commodities. The government can use a trade barrier like 'tax' to increase or decrease (regulate) foreign trade and to decide what kind of goods and how much of what should come into the country.

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