



# Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10<sup>th</sup>

(Based on N C E R T pattern)

Date:- 24.12.XX.

ECONOMICS

## Sector of the Indian Economy

### Question 1.

“Economic activities, though grouped into three different categories, are highly interdependent.” Discuss. Do you agree with the view that primary, secondary and tertiary sectors are dependent on each other ?

**Answer:**

**Primary, secondary and tertiary sectors are interdependent as mentioned below :**

- When we produce goods by exploiting natural resources, it is an activity of the primary sector. It is primary because it forms the base for all other products that we subsequently make.
- The secondary sector covers activities in which natural products are changed into other forms manually or by machines. For example wheat is used to manufacture bread. So there is mutual dependency between primary and secondary sectors.
- The activities that help in the development of the primary and secondary sectors fall under the tertiary sector. These activities by themselves do not produce a good but they are an aid or a

- support for the production process. Transport, storage, communication and banking are some examples of tertiary activities.

### **Question 2.**

Describe the essential services that are included in the service sector and may not directly help in the production of goods.

**Answer:**

**The essential services, included in the service sector, that may not directly help in the production of goods are as mentioned below :**

Teachers.

Doctors.

- Persons who provide personal services such as washerman, barbers, cobblers, lawyers and people to do administrative and accounting works.
- Recently certain new services based on information technology such as internet cafe, ATM booths, call centers, software companies have become important.

### **Question 3.**

Highlight any three differences between intermediate goods and final goods.

**Answer:**

**Two differences between the intermediate and final goods are as mentioned below :**

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## **Intermediate goods**

(1) Intermediate goods are used up in producing final goods and services. The value of final goods includes the value of all the intermediate goods that are used in making the final goods. For example wheat and wheat flour used in making of biscuit in a factory are intermediate goods

(2) Intermediate goods are not included in GDP to avoid the problem of double counting. For example if the value of wheat and wheat flour is counted then we would be counting the value twice or thrice.

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## **Final goods**

(1) These goods are used for final consumption. For example biscuits are final goods. These are sold in the market for consumption. The value of the intermediate goods is already included in it.

(2) The value of final goods and services are included to know the GDP of a country. A sum of production of three sectors gives the GDP.