



INDIAN SCHOOL AL WADI AL KABIR

Class: X	Department: Social Science	Sub: Economics
Chapter-4 Worksheet-4	Topic: Globalisation and the Indian Economy	Year: 2022-23

1	<p>Why do MNCs set up offices and factories in more than one nation?</p> <p>a) Because the cost of production is high and the MNCs can earn profit. b) Because the cost of production is low and the MNCs undergo a loss. c) Because the cost of production is low and the MNCs can earn greater profit. d) Because the MNCs want to make their presence felt globally.</p>
2	<p>Rajiv has a textile firm. He has spent money on procuring thread from traders, buying machine and equipment and built a warehouse to store the cloth produced. The expenditure incurred by Rajiv for conducting the production process is termed as _____.</p> <p>a) Profits b) Investment c) Foreign investment d) Interest</p>
3	<p>Identify which one of the following is a major benefit of joint production between a local company and a Multinational Company?</p> <p>a) MNCs can bring latest technology in the production. b) MNCs can control the increase in the price. c) MNCs can buy the local company. d) MNCs can sell the products under their brand name.</p>
4	<p>Identify the incorrect feature of a Multinational Company.</p> <p>a) It owns/controls production in more than one nation. b) It sets up factories where it is close to the markets. c) It organizes production in complex ways. d) It employs labour only from its own country.</p>
5	<p>Which of the following international agencies allow free trade and work on mutual trade between countries?</p> <p>a) IMF b) WTO c) UNESCO d) WHO</p>

6	<p>Removing barriers or restrictions set by the government is called _____.</p> <p>a) Investment b) Liberalization c) Favourable trade d) Free trade</p>
7	<p>Identify the correct statements about globalization.</p> <p>I. Has enabled all companies to increase their investments II. Foreign companies are allowed to set up factories III. movement of persons across borders IV. Has decreased foreign investment and foreign trade</p> <p>OPTIONS: a) I & II b) II & III c) I & III d) II & IV</p>
8	<p>Which of the following is a benefit of globalisation?</p> <p>a) Consumers pay higher amount for goods and services, so producers are better off. b) Asymmetric information cannot exist in a globalized market. c) Consumers get a wide variety of goods to choose. d) Homogeneous goods are sold in a globalized market.</p>
9	<p>Which of the following is an example of a trade barrier?</p> <p>a) Remittances to foreigners b) Cost of transportation c) Tax on imports d) Interest on bonds</p>
10	<p>The aim of the Special Economic Zones (SEZ) developed by the Government of India is _____.</p> <p>a) to attract foreign companies to invest in India. b) to encourage small investors. c) to encourage regional development. d) None of the above</p>
11	<p>_____ results in connecting the markets or integration of markets in different countries.</p> <p>a) Liberalization b) Foreign Investment c) Privatisation d) Foreign Trade</p>

12	<p>Foreign trade creates an opportunity for the producers to:</p> <p>a) reach beyond their expectations. b) go beyond the domestic markets. c) go beyond the foreign markets. d) None of the above</p>
13	<p>Rewrite the sentence: The most common route for investments by MNCs is to form partnerships with local companies. Ans. The most common route for investments by MNCs is to buy up local companies and then to expand production.</p>
<p>ASSERTION AND REASONING: - In the question given below, there are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the correct option:</p>	
14	<p>Assertion(A): MNCs can exert a strong influence on production at distant locations. Reason(R): MNCs set up partnerships with local companies, use local companies for supplies, compete with the local companies or buy them up. Options: A. Both A and R are true and R is the correct explanation of A. B. Both A and R are true and R is not the correct explanation of A. C. A is true but R is false. D. A is false but R is true.</p>
15	<p>Assertion(A): In 1995, government decides to remove barriers on foreign trade and investment in India. Reason(R): The government imposes barriers on trade to regulate the type and amount of goods that can enter the country. Ans. (D) Options: A. Both A and R are true and R is the correct explanation of A. B. Both A and R are true and R is not the correct explanation of A. C. A is true but R is false. D. A is false but R is true.</p>