

**SECONDARY SECTION – STD: X  
PRACTICE WORKSHEET (TERM II)  
ECONOMICS: GLOBALISATION AND THE INDIAN ECONOMY**

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**Very Short Answers: Money and Credit**

1. \_\_\_\_\_ is an asset that the borrower owns and uses as a guarantee until the loan is repaid to the lender.
  - a. Currency
  - b. Credit Card
  - c. Collateral
  - d. Debit card
  
2. Major portion of the deposits are used by the banks to \_\_\_\_\_.
  
3. Which of the following methods can reduce the dependence on informal sector?
  - a. banks and cooperatives increase their lending particularly in the rural areas,
  - b. interest rates are decreased on credit
  - c. formal sector loan expands and everyone receives loans
  - d. all of the above
  
4. ASSERTION: Credit could be useful or not, depends on the risk involved in the situation.  
REASON: The chance from benefitting from credit is highest in agricultural sector.
  - a. Both A and R are true and R is the correct explanation of A.
  - b. Both A and R are true but R is NOT the correct explanation of A.
  - c. A is true but R is false.
  - d. A is false but R is true.
  
5. A debt trap means over spending money till no money is left.- TRUE OR False