

20 THINKING ECONOMICS

Match the economic terms with their meanings by writing the correct letters in boxes.

1. Inflation

2. EMI

3. Debt

4. Income Tax

5. Excise Duty

6. Interest

7. Recession

8. Service Tax

- a. An amount one needs to pay every month towards repayment of a loan.
- b. A tax payable on manufactured goods.
- c. A general and continuous rise in prices of things.
- d. A tax payable on services provided by the service provider.
- e. Money that is owned to someone else, usually as a result of borrowing.
- f. A period of slow or negative economic growth, usually accompanied by rising unemployment.
- g. The fee paid for borrowing someone else's money.
- h. A tax paid to the government, based on the amount one earns or profit one makes.

True FACT

Goods and Services Tax (GST) is a system of taxation in India which merge many individually applied taxes into a single tax. It is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India, aimed at replacing taxes levied by the central and state governments.