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

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 c. Collateral
   b. Credit Card 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