

CBSE Class 10 Social Science

Unit 4 Economics

Important Assertion Reason Questions

1.Assertion: Since the 1890s, it is common to see a large number of workers losing their jobs in the organised sector.

Reason: Service sector also includes some essential services that may not directly help in the production of goods.

Answer: (D)

2.Assertion: A high average income is not indicative of the overall well being of a country.

Reason: Average income does not cover human development, like level of education, health and public facilities.

Answer: (A)

3.Assertion: Foreign trade creates an opportunity for the producers to reach beyond the domestic markets.

Reason: Foreign trade expands the choice of goods beyond what is domestically produced.

Answer: (B)

4.Assertion: In India, the mammoth task of measuring GDP is undertaken by a state government ministry.

Reason: With the help of various government departments of all the Indian states and union territories, the central ministry collects information relating to total volume of goods and services and their prices and then estimates the GDP.

Answer: (D)

5.Assertion: A country at present has very high national income due to surplus oil resources. However it is essential to look for alternative sources of income also.

Reason: Oil is a natural resource that is non-renewable in nature. If it is not used judiciously then it will get exhausted soon.

Answer: (A)

6.Assertion: In India, no individual can refuse to accept a payment made in rupees.

Reason: Rupee is the legal tender in India.

Answer: (A)

7.Assertion: India has experienced some significant changes in the contribution to GDP by the primary sector

Reason: In terms of GDP, the service sector emerged as the largest producing sector in India replacing the primary sector.

Answer: (D)

8.Assertion: MNCs can exert a strong influence on production at distant locations.

Reason: MNCs set up partnerships with local companies, use local companies for supplies, compete with local

companies or buy them up.

9.Assertion: Suppose the literacy rate in a state is 78% and the the net attendance ratio in secondary stage is 47%.

Reason: More than half of the students are going to other states for elementary education.

Answer: (A)

10.Assertion: Hema works 5 days a week , receives her income on a last day of each month and gets medical facilities from her firm.

Reason: Hema is working in an organised sector.

Answer: (A)

11.Assertion: Disguised unemployment is hidden in contrast to someone who does not have a job and is clearly visible as unemployed. Everyone is working, no one is fully employed.

Reason: In actual fact, labour effort gets divided.

Answer: (B)

12. Assertion: Money in your pocket cannot buy all the goods and services that you may need to live well.

Reason: So, income by itself is not a completely adequate indicator of material goods and services that citizens are able to use.

Answer: (A)

13.Assertion: An individual who manufactures flour from wheat is engaged in the primary sector.

Reason: When some process of manufacturing is used the product is a part of the secondary sector.

Answer: (D)

14.Assertion: Rakesh is an educated and skilled worker who earns a high monthly salary as he is employed in a private bank in a city.

Reason: all services sectors in India are growing extremely well and each individual engaged in any kind of tertiary activity and earns a high income.

Answer: (A)

15.Assertion: The value of final goods already includes the value of all the intermediate goods that are used in making the final good.

Reason: The value of final goods and services produced in each sector during a particular year provides the total production of the sector for the next two years.

Answer: (C)

16. Assertion: Per Capita Income is calculated in US dollars.

Reason: US dollar is not considered as the medium of international exchange. It is accepted as a method of payment across the world

Answer: (C)

17. Assertion: The availability of resources is a necessary condition for the development of any region, but mere availability of resources in the absence of corresponding changes in technology and institutions may hinder development.

Reason: There are many regions in our country that are rich in resources but these are included in economically backward regions.

Answer: (A)

18. Assertion: Banks keep only a small proportion of their deposits as cash with themselves.

Reason: Banks in India these days hold about 15 per cent of their deposits as cash.

Answer: (B)

19. Assertion : A tax on imports makes the market for imported goods lucrative in terms of earning higher profits.

Reason : Taxes are imposed to ensure smooth trade between nations and higher tax revenues for the governments of the countries.

Answer: (D)

20. Assertion : The Government of India buys wheat and rice from farmers at a fair price.\

Reason : Public sector contributes to economic development.

Answer: (A)

21. Assertion (A): The service sector is gaining more importance in the global economy.

Reason (R): As income levels decrease, certain sections of people start demanding many more services like private schools, and hospitals, eating outlets, tourism, etc

Answer: (C)

22. Assertion: The modern currency is used as a medium of exchange; however, it does not have a use of its own.

Reason: Modern currency is easy to carry

Answer: (B)

23. Assertion : Agriculture is an activity of organised sector in India.

Reason : Most of the workers working in agriculture are employed only during harvesting and sowing seasons.

Answer: (A)

24.Assertion: Banks charge a higher interest rate on loans than what they offer on deposits.

Reason: The difference between what is charged from borrowers and what is paid to depositors is their main source of income.

Answer: (A)

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26.Assertion: Sustainable development is a crucial step for the development of a country.

Reason: Sustainability is the capability to use the resources judicious and maintain ecological balance.

Answer: (B)

27. Assertion (A): In India the primary sector is the largest employer.

Reason (R): The demand for services has increased enormously.

Answer: (B)

28.Assertion: Rohan took credit in the form of advance payment from a buyer and he delivered the goods to the buyer on time and also earned profit. The credit made Rohan better off in this situation.

Reason: Credit can never push a person into a debt trap.

Answer: (C)

29.Assertion: The removal of barriers to trade is known as liberalization.

Reason: Federalization of trade allows businesses to freely decide which goods to import and export.

Answer: (B)

30.Assertion: Developmental goals that people have are not only about better income but also about other important things in life.

Reason): A safe and secure environment may allow more women to take up a variety of jobs or run a business.

Answer: (B)