

## Explore Globalisation and the Indian Economy

### MCQs For CBSE Class 10

1) Which of the following statements are true about MNCs?

- a) A MNC is a company that owns or controls production in more than one nation.
- b) MNCs set up offices and factories for production in regions where they can get cheap labour and other resources
- c) This is done so that the cost of production is low and the MNCs can earn greater profits
- d) All of the above

**Answer: Option (d)**

2) The MNC is not only selling its finished products globally, but more importantly, the goods and services are produced globally. State whether true or false

- a) False
- b) True

**Answer: Option (b)**

3) \_\_\_\_\_ provides the advantage of being a cheap manufacturing location.

- a) China
- b) Japan
- c) South Korea
- d) None of the above

**Answer: Option (a)**

**4) Cargill Foods, a very large \_\_\_\_\_ MNC, is the largest producer of edible oil in India, with a capacity to make 5 million pouches daily.**

- a) Dutch
- b) French
- c) British
- d) American

**Answer: Option (d)**

**5) \_\_\_\_\_, footwear, sports items are examples of industries where production is carried out by a large number of small producers around the world.**

- a) Confectionery
- b) Garments
- c) Petroleum products
- d) None of the above

**Answer: Option (b)**

**6) \_\_\_\_\_, an American company, is one of the world's largest automobile manufacturers with production spread over 26 countries of the world.**

- a) Ford Motors
- b) Porsche
- c) Audi
- d) None of the above

**Answer: Option (a)**

7) The products are supplied to the MNCs, which then sell these under their own brand names to the customers. These large MNCs have tremendous power to determine the \_\_\_\_\_

- a) price
- b) quality
- c) labour conditions for these distant producers
- d) All of the above

**Answer: Option (d)**

8) Ford Motors came to India in \_\_\_\_\_ and spent Rs. 1700 crore to set up a large plant near Chennai.

- a) 1995
- b) 1999
- c) 1990
- d) 1998

**Answer: Option (a)**

9) When Ford established its manufacturing plant in India, it had collaborated with \_\_\_\_\_

- a) Hero Motors
- b) Maruti Suzuki
- c) Tata Motors
- d) Mahindra & Mahindra

**Answer: Option (d)**

**10) Ford Motors was selling 27,000 cars in the Indian markets, while 24,000 cars were exported from India to South Africa, Mexico and \_\_\_\_\_.**

- a) Brazil
- b) Argentina
- c) Chile
- d) None of the above

**Answer: Option (a)**

**11) Chinese toys have become more popular in the Indian markets. Within a year, \_\_\_\_\_ of the toy shops have replaced Indian toys with Chinese toys.**

- a) 50 to 60 percent
- b) 80 to 90 percent
- c) 100 percent
- d) 70 to 80 percent

**Answer: Option (d)**

**12) Which of the following is true regarding opening of trade?**

- a) Choice of goods in the markets rises
- b) Producers in the two countries now closely compete against each other even though they are separated by thousands of miles
- c) Foreign trade thus results in connecting the markets or integration of markets in different countries
- d) All of the above

**Answer: Option (d)**

**13) Globalisation is a process of slow integration or interconnection between countries. State whether true or false.**

- a) False
- b) True

**Answer: Option (a)**

**14) \_\_\_\_\_ have led to huge reduction in port handling costs and increased the speed with which exports can reach markets.**

- a) Containers
- b) Cranes
- c) Elevators
- d) None of the above

**Answer: Option (a)**

**15) The cost of \_\_\_\_\_ has fallen. This has enabled much greater volumes of goods being transported by \_\_\_\_\_.**

- a) air transport, airlines
- b) road transport, four wheelers
- c) rail transport, railways
- d) None of the above

**Answer: Option (a)**

**16) Governments can use trade barriers to increase or decrease (regulate) foreign trade and to decide what kinds of goods and how much of each, should come into the country. State whether true or false.**

- a) True
- b) False

**Answer: Option (a)**

**17) Removing barriers or restrictions set by the government is known as \_\_\_\_\_**

- a) globalisation
- b) disinvestment
- c) privatisation
- d) liberalisation

**Answer: Option (d)**

**18) Starting around \_\_\_\_\_, some far reaching changes in policy were made in India. The government decided that the time had come for Indian producers to compete with producers around the globe**

- a) 2011
- b) 2001
- c) 1991
- d) 1981

**Answer: Option (c)**

**19) Nearly \_\_\_\_\_ countries of the world are members of the WTO, as of June 2014.**

- a) 50
- b) 100
- c) 160
- d) 200

**Answer: Option (c)**

**20) Started at the initiative of the \_\_\_\_\_, WTO establishes rules regarding international trade, and sees that these rules are obeyed.**

- a) middle income countries
- b) poor countries
- c) developing countries
- d) developed countries

**Answer: Option (d)**

