

# HARI VIDYA BHAWAN

Session 2021-2022

Subject- Economics (030)

Class -12<sup>th</sup>

Chapter- 5 MONEY

Worksheet-4

Date- 03-05-21

## General Instructions :

- You have to do the worksheet in your **fair Notebook**.
- Maintain **Two Separate Notebooks** for the worksheets & mark it **Notebook no. 1 & No. 2**
- In **Notebook no.1** you have to do the worksheets from **1<sup>st</sup> to 15<sup>th</sup> date of month** & in **Notebook no.2** you have to do the worksheets from **16<sup>th</sup> to 31<sup>st</sup> date of month**
- Maintain your notebooks properly with **Cover & Index**
- Work should be **Neat & Clean**.

## Multiple Choice Questions

**Q-1** Which of the following is a typical characteristic of the barter system?

- a) A common medium of exchange
- b) Double coincidence of wants
- c) A common unit of account
- d) A standard for deferred payments

**Q-2** Money that is issued by the authority of the government is called:

- a) Full bodied money
- b) Credit money
- c) Fiat money
- d) Fiduciary money

**Q-3** Bank money is that money which is:

- a) Printed by RBI
- b) Printed by the government
- c) Generated in the form of credit creation
- d) None of these

**Q-4** In India, coins are issued by:

- a) State Bank of India
- b) Reserve Bank of India
- c) Ministry of Finance
- d) Ministry of Urban development

**Q-5** High powered money is equal to:

- a) Money supplied by the RBI only
- b) Total supply of money in the economy
- c) Notes and coins held by the public
- d) Money held by the public, vault cash of the commercial banks as well as cash reserves of the commercial banks with the RBI

**Q-6** What is barter system? Explain the drawbacks under the barter system.

**Q-7** State the principal components of money supply.

**Q-8** Explain how introduction of money has led to the expansion of markets.