

QB365

Important Questions - Money and Credit

10th Standard CBSE

Social Science

Reg.No. :

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Time : 01:00:00 Hrs

Total Marks : 50

**Section - A**

- 1) Currency is issued by: 1
  - (a) RBI on behalf of central government
  - (b) By president of India
  - (c) By finance minister
  - (d) None of them
- 2) In SHG most of the decisions regarding savings and loan activities are taken by 1
  - (a) Bank
  - (b) Members
  - (c) Non-government organisations
  - (d) LIC
- 3) Security against loan is 1
  - (a) Collateral
  - (b) Token Coins
  - (c) Promisory Note
  - (d) Currency
- 4) A bill of exchange promising to a certain sum written there in 1
  - (a) Currency
  - (b) Collateral
  - (c) Promisory note
  - (d) Bank rate
- 5) Which is the essential feature of barter system? 1
- 6) What are demand deposits? 1
- 7) What is a cheque? 1
- 8) What are the main 'terms of credit'? 1
- 9) Besides banks, what are the other sources of credit from which the small farmers borrow? 1
- 10) Whose signatures are found on a 10-rupee note? 1

**Section - B**

- 11) How does the use of money make it easier to exchange things? 2
- 12) What are the reasons that make Swapna's situation so risky? Discuss factor-pesticides; role of moneylenders; climate. 2
- 13) What is the basic idea behind the SHGs for the poor? Explain in your own words. 2
- 14) Explain with example, how credit plays a vital and positive role for development? 2
- 15) In India about 80 percent of farmers are small farmers, who need for cultivation. 2
  - (a) Why might banks be unwilling to lend to small farmers can borrow?
  - (c) Explain with an example how the terms of credit can be unfavourable for the small farmer.
  - (d) Suggest some ways by which small farmers can get cheap credit.
- 16) What are demand deposits? Describe any three salient features of demand deposits. 2
- 17) How are deposits with the banks beneficial for an individual as well as for nation? Explain with examples. 2

- 18) Why is it necessary for the banks and cooperative societies to increase their lending facilities in rural areas? 2  
Explain.
- 19) What is money? Why is modern currency accepted as a medium of exchange? 2
- 20) Explain why the supervision of the functioning of formal sources of loans is necessary? 2

**Section - C**

- 21) Answers the following questions: 5
- (a) Why are banks unwilling to lend loans to small farmers?
  - (b) Besides banks, what are the other sources of credit from the farmers can borrow?
  - (c) Explain how terms of credit can be unfavourable for the small farmers.
  - (d) From where can small farmers get cheap loans?
- 22) Mention any three points of distinction between formal sector loan and informal sector loan. 5
- 23) Differentiate between formal sector credit and informal sector credit. 5
- 24) Why is cheap and affordable credit important for a country's development? Explain with reasons. 5

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