



Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10th

(Based on N C E R T pattern)

Date:- 13.10.XX.

Economics

Money and credit

1. What does currency include?

Ans. Currency includes paper notes and coins.

2. How do the deposits with banks become their source of income?

Ans. Banks make use of the deposits to meet the loan requirements of the people. The difference between what is charged from borrowers and what is paid to depositors is their main source of income.

3. How is the facility of demand deposits useful for the depositor?

Ans. People's money is safe with the banks and it earns an amount of interest.

4. What is the main function of the Reserve Bank of India?

Ans. The Reserve Bank of India issues currency notes on behalf of the central government and supervises the functioning of formal sources of loans.

5. Define bank.

Ans. A bank is a profit making institution that accepts the deposits, pays an amount as interest on the deposits and extends loans to the needy.

6. Mention the modern form of money.

Ans. Modern forms of money include currency—paper notes and coins.

7. Which agency issues currency notes on behalf of the Government of India?

Or

Who issues currency notes in India?

Ans. Reserve Bank of India (RBI).

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