



# Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10<sup>th</sup>

(Based on N C E R T pattern)

Date:- 05.09.XX.

Economics

Money and credit

Question 1.

What do you understand by demand deposits?

Answer:

To ensure safety of their money, people deposit their money with banks. Banks accept deposits and pay interest on deposits. People have the provision to withdraw their money as and when they require. Since money can be withdrawn on demand, these deposits are known as demand deposits.

Features:

1. A demand deposit has the essential characteristic of money. It can be used as a medium of exchange.
2. The facility of cheques against demand deposits makes it possible to make payments, without using cash.
3. Since demand deposits are accepted widely as a means of payment along with currency, they constitute money in the modern economy.

Question 2.

Which country has successfully organized SHGs? Who had initiated the programme?

Answer:

Bangladesh has successfully organized SHGs. Grameen Bank of Bangladesh is the biggest success story in reaching the poor to meet their credit needs at reasonable rates. Grameen Bank has now over 6 million borrowers in 40,000 villages across Bangladesh. Most of the borrowers are women and belong to the poorest section of society. This idea is the brain child of Prof Muhammad Yunus, recipient of 2006 Nobel Prize for Peace.

Question 3.

Highlight the inherent problem in double coincidence of wants.

Answer:

Double coincidence of wants means that when someone wants to exchange his goods with another person, the latter must also be willing to exchange his goods with the first person. It can only work when both the persons are ready to exchange each other's goods.

Question 4.

How does the use of money make it easier to exchange things? Give an example.

Answer:

The use of money solves the problem of double coincidence of wants. Money acts as a medium of exchange and serves as a unit of value.

**Mr Anant kumar**