

9th Social Science Lesson 11 Questions in English

11. Money and Credit

1. During his rule (1540-1546) Sher Shah Suri set up a new civic and military administration and issued a coin made of which metal?

- a) Bronze
- b) Silver**
- c) Gold
- d) Copper

Explanation

During his rule (1540-1546) Sher Shah Suri set up a new civic and military administration and issued a coin of silver weighing 178 grams, which was termed the Rupiya. The silver coin remained in use during the Mughal period, the Maratha era and in British India as well.

2. What was the First trade system used before usage of coins?

- a) Barter system**
- b) Agri system
- c) Borrow system
- d) Trusty system

Explanation

The first form of trade was Barter system. The barter system flourished wherever civilizations thrived. This system was active not only within a civilization, but also among civilizations. This was the initial form of international trade.

3. Which of the following metal is not used as first currency?

- a) Gold
- b) Copper
- c) Silver
- d) Bronze**

Explanation

Gold, silver and copper were the metals used first as currency. They were called ancient currency. Leather, beads, shells, tobacco, salt, corn and even slaves were exchanged as barter, says economists.

4. Which of the following is called Natural Money?

- a) Salt
- b) Shells
- c) **Gold**
- d) All the above

Explanation

The metals such as silver and gold gained importance gradually all over the world. So, these metals were used as standard value in the exchange of goods. This was called as natural money.

5. Which king of Lydia announced publicly that official currency will be used for Trade?

- a) Croesus
- b) **Alyattes**
- c) Claude Vignon
- d) Astyages

Explanation

King Alyattes of Lydia announced publicly that official currency will be used for Trade in 600 B.C. Lydia is region in Turkey. This transaction spread throughout Mediterranean.

6. Who spread paper money to Europe?

- a) Ibn Battuta
- b) Genghis Khan
- c) **Marco Polo**
- d) Vasco Da Gama

Explanation

Paper money spread to Europe through the travels of Marco Polo (1290)

7. Which of the following statement is correct

- 1) The Florin, silver plate coin was introduced in Europe
- 2) When new paper money was printed in Sweden it was not much welcomed.
 - a) Only 1
 - b) **Only 2**
 - c) Both 1 and 2
 - d) None

Explanation

In 1250 A.D. The Florin, Gold plate coin was introduced in Europe. When new paper money was printed in Sweden (1661) it was not much welcomed.

8. In which year through Telegram an effort was undertaken to transfer money electronically?

- a) 1860
- b) 1873
- c) 1883
- d) 1842

Explanation

In the year 1860 through Telegram an effort was undertaken to transfer money electronically.

9. Who invented the credit card in year 1946?

- a) Donald Wetzel
- b) John Shepherd
- c) **John Biggins**
- d) James Goodfellow

Explanation

In the year 1946 John Biggins invented the credit card. European Banks introduced Mobile Banking in 1999 A.D.

10. In which year Near Field Communication (NFC) came to india?

- a) 2013
- b) **2016**
- c) 2008
- d) 2011

Explanation

Near Field Communication (NFC) was introduced in Britain. In 2016 it came to India. It takes only about 7 to 8 seconds to transact money through NFC.

11. When the Reserve Bank of India started its operations?

- a) 1949
- b) 1947
- c) **1935**
- d) 1951

Explanation

The Reserve Bank of India started its operations on 1st April 1935. RBI was Nationalised in 1949.

12. The Reserve Bank of India was permanently moved to which place?

- a) **Mumbai**
- b) Delhi
- c) Chennai
- d) Calcutta

Explanation

The Reserve Bank of India was permanently moved to Mumbai from the year 1937.

13. What percentage printed currency is let for circulation?

- a) 90%
- b) 95%
- c) **85%**
- d) 80%

Explanation

85% of the printed currency is let for circulation. According to the statistics available as on August 2018, currency worth of 19 lakh crore are in circulation. (source - Reserve Bank of India)

14. What is the name of Ph.D. Thesis of Dr B.R. Ambedkar that used as the reference tool and provided guidelines for the Reserve Bank of India Act of 1934?

- a) The Indian current and its Efficiency
- b) **The Problem of the Rupee - Its origin and solution**
- c) The Trade Society and its Currency
- d) The Indus Currency and its Origin

Explanation

Dr B.R. Ambedkar's Ph.D. Thesis on 'The Problem of the Rupee - Its origin and solution' was the reference tool and provided guidelines for the Reserve Bank of India Act of 1934.

15. How many percentage of the products are manufactured with the main aim of sales or meant for services?

- a) 65%
- b) 80%
- c) 76%
- d) **90%**

Explanation

There is a close relationship between volume of circulation money and the price of things. 90% of the products are manufactured with the main aim of sales or meant for services.

16. Which of the following statement is correct

- 1) The relationship between money and price is connected with the Inflation policy.
- 2) Price controls play a very important role in a country's economic stability. This role is played by the Central Bank of our country, RBI in India.
 - a) Only 1
 - b) Only 2**
 - c) Both 1 and 2
 - d) None

Explanation

The relationship between money and price is connected with the Monetary policy. There is a close relationship between the growth of money supply and inflation. Price controls play a very important role in a country's economic stability. This role is played by the Central Bank of our country, RBI in India.

17. Purchasing capacity of all currencies in the world are compared using which currency as standard?

- a) Euro
- b) US dollar**
- c) UK Pound
- d) Rupee

Explanation

Purchasing capacity of all currencies in the world are compared using the US dollar as the standard currency. This value differs from country to country. Most of the international trade transactions are carried out in US dollar.

18. Match the given List I with List II and choose correct answer

List I (country)	List II (currency)
I. England	1. Dollar
II. Japan	2. Ringgit
III. Australia	3. Pound
IV. Malaysia	4. Yen
a) 4 – 2 – 1 – 3 b) 3 – 1 – 4 – 2 c) 2 – 3 – 1 – 4 d) 3 – 4 – 1 – 2	

Explanation

India – Rupee; England – Pound; European Union – Euro; Canada – Dollar; Japan – Yen; China – Yuan; Saudi Arabia – Riyal; Australia – Dollar; Malaysia – Ringgit; Pakistan – Rupee; Sri Lanka – Rupee.

19. Which of the following statement is incorrect

- 1) Money should be accepted liberally in exchange of goods and services in a country
- 2) Money is used as a store of purchasing power. It can be used to finance future payments.
 - a) Only 1
 - b) Only 2
 - c) Both 1 and 2
 - d) None

Explanation

Money should be accepted liberally in exchange of goods and services in a country. Money is used as a store of purchasing power. It can be used to finance future payments. Money should be the common, standard unit of calculating a country's total consumer goods, products, services etc.

20. Which financial institutions are easily approachable to the customers with flexible procedures?

- a) Formal financial institutions like nationalised and private banks and cooperative banks
- b) **Informal financial institutions**
- c) Micro credit is received through Self Help Groups (SHG)
- d) All the above

Explanation

Informal financial institutions are easily approachable to the customers with flexible procedures. But there are issues like the safety of items pledged high rates of interest and modes of recovery.

21. How many Branches across Tamil Nadu are there for all the bank during Fiscal year (2017 – 2018)

- a) **10,612**
- b) 11,276
- c) 9,238
- d) 12,138

Explanation

In Tamil Nadu, all the banks have 10,612 branches, across the state They carry on a total transaction of around 15 lakh crore rupees during the financial year (2017-2018).

22. One rupee and two Rupee notes were first printed in India in which year?

- a) 1905
- b) 1917**
- c) 1914
- d) 1930

Explanation

One rupee and two Rupee notes were first printed in India in the year 1917. The Reserve Bank of India is empowered to issue the Government of India notes since 1935. 500 Rupee note currency was introduced later.

23. Till 1947, the currency notes were circulated with whose image?

- a) Queen Victoria
- b) King Edward VIII
- c) Queen Elizabeth
- d) King George VI**

Explanation

In 1940, one Rupee notes were issued again. Till 1947, the currency notes with the image of King George VI were in circulation. After Independence, the Government of India issued currency notes.

24. In 1925, the British government established a government press at where?

- a) Chennai
- b) Nagpur
- c) Nasik**
- d) Patna

Explanation

In 1925, the British government established a government press at Nasik in Maharashtra. Currencies were printed three years later.

25. In 1974, a press was started in which area by Government of India?

- a) Madhya Pradesh**
- b) Tamil Nadu
- c) Odisha
- d) Manipal

Explanation

In 1974, a press was started in Dewas, Madhya Pradesh. (Security Printing and Minting Corporation of India Ltd.) In the 1990s, two more presses were started in Mysuru, Karnataka and Salboni in West Bengal to print bank notes.

26. Who has the authority to decide the value of currency to be printed and how the amount should reach its destination safely?

- a) Prime Minister
- b) Ministry of Finance
- c) **Reserve Bank of India**
- d) State Bank of India

Explanation

The Reserve Bank of India has the authority to decide the value of currency to be printed and how the amount should reach its destination safely.

27. The Reserve Bank of India has the power to print maximum up-to which currency note?

- a) Two Thousand
- b) Five Thousand
- c) **Ten Thousand**
- d) Seven Thousand

Explanation

The RBI has the power to print up to ten thousand Rupee notes, at present a maximum of up-to rupees two thousand is printed.