

GIRLS' HIGH SCHOOL AND COLLEGE, PRAYAGRAJ.

2020-2021

CLASS: 12 C&D

Economics

Worksheet – 5

Chapter – Money: Meaning and Functions

Note – Parents please ensure that your ward refers to the textbook, **ISC Economics Class 12 by D.K.Sethi and Mrs.U.Andrews by Frank publication** and the **websites for at least two days to read and understand the chapter.**

01.) www.economicdiscussion.net

02.) <https://www.investopedia.com>

Answer in brief.

- 1.) Define money.
- 2.) What is Token Money?
- 3.) Explain the term 'Legal Tender'.
- 4.) Differentiate between "Limited and Unlimited Legal Tender".
- 5.) What is Convertible Money?
- 6.) Explain Deposit Money.
- 7.) How is money a measure of value?
- 8.) Explain 'Standard of Deferred Payments'.
- 9.) Give the components of M_1 and M_2 measures of money supply.
- 10.) Which form of the money is called the 'Monetary Base'?

Answer in detail.

- 11.) Explain any two Primary functions of Money.
- 12.) Discuss the concepts of High-Powered Money.
- 13.) Explain the various components of Money Supply.



14.) Explain the following contingent functions of money.

a.) Maximisation of Utility.

b.) Employment of factor inputs.

c.) Basis of credit system.

END

