

From Barter to Money

Section A: Fill in the blanks.

- The barter system was inefficient because it required a _____ of wants.
- In the barter system, a farmer could not split an _____ into smaller units for trade.
- Ancient Indian coins were made of _____ metals.
- One early form of money used in ancient India was called _____ or panas.
- The _____ is the symbol used on Indian banknotes, designed in 2010.
- The modern Indian currency notes feature motifs that reflect the country's _____ heritage.
- The Junbeel Mela, where barter is still practiced, begins with an _____, a traditional fire worship ceremony.
- The Chalukyas had the image of _____, an avatar of Vishnu, on their coins.
- The '₹' symbol includes the Devanagari _____ and the Roman _____.
- Alloys of _____ and _____ were used to mint coins in ancient times.

Section B: Match the following.

A	B	Ans.
a. Cowrie shells	i. Linked to a bank account	a. _____
b. Durability	ii. Ancient form of money	b. _____
c. QR code	iii. Online account access	c. _____
d. RBI	iv. Used for digital payment	d. _____
e. Net Banking	v. Issues currency	e. _____
f. Debit Card	vi. Ability to last long	f. _____

Section C: Choose the correct option and tick (✓) the right answer.

- The earliest form of exchange between people was:

a) Digital money	☐	c) Credit cards	☐
b) Barter system	☐	d) Paper currency	☐
- Which of the following is NOT a difficulty of the barter system?

a) Double coincidence of wants	☐
b) Portability	☐
c) Common standard of value	☐
d) Durability	☐

3. UPI stands for:

- a) Unified Payment Interface ☐
- b) Universal Payment Institution ☐
- c) United Pay India ☐
- d) Unique Price Index ☐

4. Which of the following was used as money in ancient times?

- a) Furniture ☐ c) Cowrie shells ☐
- b) Plastic ☐ d) Glass ☐

5. What is the problem when large goods like oxen cannot be easily transported?

- a) Portability ☐ c) Divisibility ☐
- b) Durability ☐ d) Fungibility ☐

6. Identify one of the first countries to use paper currency.

- a) India ☐ c) Egypt ☐
- b) China ☐ d) Japan ☐

7. What is "minting"?

- a) Printing of currency notes ☐
- b) Manufacturing of coins ☐
- c) Importing goods ☐
- d) Recycling waste ☐

8. Who defined money as "a link between the present and the future"?

- a) Adam Smith ☐ c) Karl Marx ☐
- b) Alfred Marshall ☐ d) John Maynard Keynes ☐

9. The Reserve Bank of India controls the issue of:

- a) Stamps ☐ c) Coins ☐
- b) Paper currency ☐ d) Gold ornaments ☐

10. Junbeel Mela is held in which Indian state?

- a) Assam ☐ c) Kerala ☐
- b) Gujarat ☐ d) Rajasthan ☐

Section D: Write T for True and F for False in the box.

1. Barter system required double coincidence of wants. ☐
2. Coins were lighter and easier to carry than paper money. ☐
3. Money acts as a store of value. ☐

4. The RBI is the only legal authority to print currency in India.
5. Digital money cannot be used without the internet.

☐
☐**Section E: Answer the following questions.**

1. How did the barter system function?

Ans. _____

2. What is meant by double coincidence of wants?

Ans. _____

3. Mention two modern forms of money other than paper currency.

Ans. _____

4. Why was paper money introduced?

Ans. _____

5. What is meant by "store of value"?

Ans. _____

6. Describe the material used in ancient coins.

Ans. _____

7. What was the primary problem with the barter system?

Ans. _____

8. What does "money as a store of value" mean?

Ans. _____

9. What is the modern equivalent of money used in daily transactions?

Ans. _____

10. What does "durability" mean in the context of money?

Ans. _____

Section F: Long Answer Questions.

1. What is the Junbeel Mela? How does it reflect the traditional barter system in modern times?

Ans. _____

2. Explain any four limitations of the barter system.

Ans. _____

3. Describe how money evolved from barter to modern digital payments.

Ans. _____

4. What are the special features in currency notes that help prevent fake notes?

Ans. _____

Section G: Here's a list of words related to digital payments. Try to find them in the word search grid below! The words can be placed vertically, horizontally, or diagonally.

EWALLET, CREDIT, ONLINE, DEBIT, UPI, QR, OTP, PIN, NEFT, IMPS, TRANSFER

E	W	A	L	L	E	T	A	S	C	B	Q
A	B	C	D	E	F	G	H	I	R	S	R
O	N	L	I	N	E	X	Y	Z	E	K	L
J	U	V	W	X	Y	Z	A	B	D	R	Q
D	E	B	I	T	C	L	M	N	I	O	P
R	S	O	T	P	U	V	W	X	T	Y	Z
A	B	C	D	E	F	U	P	I	G	H	I
N	E	F	T	J	K	L	M	N	O	P	Q
S	T	U	V	W	X	Y	Z	A	B	C	P
L	M	N	O	P	Q	R	S	T	U	V	I
Q	W	E	R	T	Y	U	I	O		A	N
Z	X	C	V	B	N	M	L	I	M	P	S

Section H: Arrange the steps involved in a digital money transaction, such as the payment made through UPI or other methods, in the correct order.

Steps:

- The payment is processed and the money is transferred electronically from the customer's bank account to the vendor's bank account.
- The customer opens their payment app on their mobile phone and scans the QR code on the vendor's card.
- The customer selects the amount to pay and confirms the payment.
- The vendor receives a notification of payment, and the money is deposited into their bank account.
- The customer confirms the payment, and the transaction is complete.

Ans.

Answer**Section A: Fill in the blanks**

- | | | |
|-----------------------|--------------|------------------------------|
| 1. double coincidence | 5. 'र' | 9. 'र' (Ra), 'R' |
| 2. ox | 6. cultural | 10. gold, silver (or copper) |
| 3. precious | 7. Agni Puja | |
| 4. kārṣhāpaṇas | 8. Varaha | |

Section B: Match the following

- | | | | | | |
|--------|--------|--------|-------|---------|-------|
| a – ii | b – vi | c – iv | d – v | e – iii | f – i |
|--------|--------|--------|-------|---------|-------|

Section C: MCQs

- | | | |
|---------------------------------|------------------------------|----------------------|
| 1. b) Barter system | 5. a) Portability | 9. b) Paper currency |
| 2. d) Durability | 6. b) China | 10. a) Assam |
| 3. a) Unified Payment Interface | 7. b) Manufacturing of coins | |
| 4. c) Cowrie shells | 8. d) John Maynard Keynes | |

Section D: True or False

- | | | | | |
|---------|----------|---------|---------|---------|
| 1. True | 2. False | 3. True | 4. True | 5. True |
|---------|----------|---------|---------|---------|

Section E: Short Answer Questions

- The barter system functioned through the direct exchange of goods and services between two people, requiring each person to have what the other wanted.
- It is the core issue of barter where two people must simultaneously have what the other desires and be willing to exchange it.
- Digital Money (like UPI/Net Banking) and Plastic Money (Debit/Credit Cards).
- Paper money was introduced because metallic coins were heavy and inconvenient to carry, especially for large or frequent transactions.
- "Store of value" means that money can be saved for a long period of time without losing its worth, allowing future purchases.
- Ancient coins were primarily made from precious metals such as gold, silver, and copper, or their alloys.
- The primary problem was the Double Coincidence of Wants, which made transactions difficult and unreliable.
- It means money allows an individual to save their current purchasing power to be used for future purchases, as its value is stable over time.
- Digital Money, often through systems like UPI and Net Banking.
- Durability refers to money's ability to last long without rotting, decaying, or being destroyed, making it ideal for saving.

Section G: Long Answer Questions

- The Junbeel Mela is an annual fair held in Assam where barter is still practiced. Hill tribes trade surplus forest produce (like ginger and herbs) directly for agricultural goods (like rice and salt) from the plain dwellers, reflecting the traditional barter system without using currency.
- Explain any four limitations of the barter system.
 - Double Coincidence of Wants: Difficulty finding a person with the exact goods you need and who needs the goods you have.

- Lack of Common Standard Measure of Value: No common unit to determine the fair exchange ratio between two different goods.
 - Problem of Divisibility: Large items (e.g., cattle) cannot be easily split into smaller units for trade.
 - Problem of Portability/Durability (Store of Value): Goods were heavy to carry for trade (portability) and could rot or spoil if stored for too long (durability).
3. Describe how money evolved from barter to modern digital payments.
- Barter/Commodity Money: Started with direct exchange (barter), then used certain valuable commodities (shells, salt) as a medium.
 - Metallic Money (Coinage): Rulers introduced coins made of precious metals (gold/silver) to ensure a standard, portable, and divisible medium.
 - Paper Money (Currency): Introduced because coins were heavy; paper notes were lightweight, convenient, and centrally regulated (by the RBI).
 - Digital Money (Electronic Payments): The latest stage involves intangible electronic transfers (UPI, Net Banking, Cards) which move value directly between bank accounts, eliminating the need for physical cash.
4. The special features in currency notes that help prevent fake notes:-
- Security Thread: A metallic thread embedded in the note that changes colour when tilted.
 - Watermark: The image of Mahatma Gandhi visible when held up to the light.
 - Latent Image: A hidden image of the denomination visible only when held horizontally at eye level.
 - Identification Marks (Tactile Features): Raised printing (intaglio) and bleed lines on the edges to help the visually impaired, making replication difficult.

Section H: Words Found

E	W	A	L	L	E	T	A	S	C	B	Q
A	B	C	D	E	F	G	H	I	R	S	R
O	N	L	I	N	E	X	Y	Z	E	K	L
J	U	V	W	X	Y	Z	A	B	D	R	Q
D	E	B	I	T	C	L	M	N	I	O	P
R	S	O	T	P	U	V	W	X	T	Y	Z
A	B	C	D	E	F	U	P	I	G	H	I
N	E	F	T	J	K	L	M	N	O	P	Q
S	T	R	A	N	S	F	E	R	B	C	P
L	M	N	O	P	Q	R	S	T	U	V	I
Q	W	E	R	T	Y	U	I	O	J	A	N
Z	X	C	V	B	N	M	L	I	M	P	S

Section H: Arrange the steps involved in a digital money transaction...

- The customer opens their payment app on their mobile phone and scans the QR code on the vendor's card. (1)
- The customer selects the amount to pay and confirms the payment. (2)
- The payment is processed and the money is transferred electronically from the customer's bank account to the vendor's bank account. (3)
- The vendor receives a notification of payment, and the money is deposited into their bank account. (4)
- The customer confirms the payment, and the transaction is complete. (5)