

Reasons for issue of plastic note	-for ensuring availability of clean notes -for strengthening the security features of bank notes and -since the volumes involved and costs incurred in the printing, transport, storage and removal of unfit/soiled notes is very high, the Reserve Bank is evaluating ways to extend the life of bank notes – particularly in lower denominations.
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CDS-2011

Consider-the following statements:

1. In India the minimum denomination coin acceptable for transaction is 50 paise.
2. Coins below 50 paise is not a legal tender for payment.

Which of the statements given above is/ are correct? I

- (a) 1 only (b) 2 only (c) **Both 1 and 2** (d) Neither 1 nor 2

Devaluation *

Means reduction in value of money. Benefits of devaluation -Export increases as domestic currency will be cheaper.

IAS Prelims 1994

Devaluation of a currency means

- (a) **reduction in the value of a currency vis-a-vis major internationally traded currencies**
- (b) permitting the currency to seek its worth in the international market
- (c) fixing the value of the currency in conjunction with the movement in the value of a basket of predetermined currencies
- (d) fixing the value of a currency in multilateral consultation with the IMF, the World Bank and major trading partners

IAS Prelims 1999

Assertion (A): Devaluation of a currency may promote export.

Reason (R): Price of the country's products in the international market may fall due to devaluation.

- (a) **Both A and R are true, and R is the correct explanation of A**
- (b) Both A and R are true, but R is not a correct explanation of A
- (c) A is true, but R is false
- (d) A is false, but R is true

CDS 2017

Devaluation of currency will be more beneficial if prices of

- (a) domestic goods remain constant
- (b) **exports become cheaper to importers**
- (c) imports remain constant
- (d) exports rise proportionality

Bitcoin *

About bitcoin	Bitcoin is a web based crypto-currency. Blockchain technology is behind crypto currencies like Bitcoin . A blockchain is a digitized, decentralized, public ledger of all cryptocurrency transactions.
Peer-to-peer payment network	It is the first decentralized peer-to-peer payment network that is powered by its users with no central authority or middlemen.
Digital money	Bitcoin is pretty much like cash for the Internet i.e. a completely digital money
24*7 use	It is possible to send and receive bitcoins anywhere in the world at any time. No bank holidays. No borders. No bureaucracy
Legality in India	India has not recognized the bitcoin as a legal tender.

ES-2014

The term 'bitcoin', frequently in the news, is mentioned in the context of:

- (a) hologram stickers
- (b) technology for improving the security features of paper currency
- (c) **peer to peer digital currency**
- (d) Near Field Communication Technology

IAS Prelims 2016

With reference to 'Bitcoins', sometimes seen in the news, which of the following statements is/are correct?

1. Bitcoins are tracked by the Central Banks of the countries.
2. Anyone with a Bitcoin address can send and receive Bitcoins from anyone else with a Bitcoin address.
3. Online payments can be sent without either side knowing the identity of the other.

Select the correct answer using the code given below.

- (a) 1 and 2 only (b) **2 and 3 only** (c) 3 only (d) 1, 2 and 3