

ICSE Board
Class X Economics
Board Paper – 2017

Time: 2 hrs

Total Marks: 80

General Instructions:

1. *Answers to this paper must be written on the paper provided separately.*
 2. *You will **not** be allowed to write during the first **15** minutes.
This time is to be spent in reading the question paper.*
 3. *The time given at the head of the paper is the time allotted for writing the answers.*
 4. *Attempt **all** questions from **Part I** and **any four** questions from **Part II**.*
 5. *The intended marks of questions or parts of questions are given in brackets [].*
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SECTION A (40 Marks)

*Attempt **all** questions from this section*

Question 1

- (a) How does land differ from other factors of production with respect to its supply? [2]
- (b) What is meant by cost push inflation? [2]
- (c) With the help of a diagram define perfectly elastic demand. [2]
- (d) Identify the type of division of labour in an automobile industry. Explain. [2]
- (e) With suitable examples differentiate between complementary goods and substitute goods. [2]

Question 2

- (a) Why is supply directly proportional to price? [2]
- (b) Explain briefly any one determinant of an exceptional demand curve. [2]
- (c) What is meant by unproductive public debt? [2]
- (d) Mention one contingent function of money. [2]
- (e) Explain briefly the impact of cost of production on elasticity of supply. [2]

Question 3

- (a) How does proportional tax differ from progressive tax? [2]
- (b) Capital depreciates. Explain [2]
- (c) What is meant by double coincidence of wants? How does money overcome this problem? [2]
- (d) Explain COPRA. What is its objective? [2]
- (e) Indirect taxes sometimes helps in social reforms. Explain. [2]

Question 4

- (a) Distinguish between fixed capital and floating capital. [2]
- (b) How does money act as a standard of deferred payment? [2]
- (c) Define public expenditure. [2]
- (d) What is meant by consumer awareness? [2]
- (e) Mention one difference between demand deposits and time deposits. [2]

Section B (40 Marks)

Attempt any four questions from this Section

Question 5

- (a) Define labour. Suggest three methods to improve the efficiency of Indian labour. [5]
- (b) What is meant by capital formation? Explain three causes of low capital formation in India. [5]

Question 6

- (a) Mention an important difference between a Commercial Bank and the Central Bank. Explain briefly three methods adopted by Commercial Banks to advance credit to borrowers. [5]
- (b) Define the term 'Entrepreneur'. Discuss three ways by which an entrepreneur promotes economic growth. [5]

Question 7

- (a) With the help of suitable diagram explain the meaning of rightward shift in the demand curve. Explain briefly any two of its determinants. [5]
- (b) Name the institution which enjoys the monopoly of note issue. Explain the following functions of this institution: [5]
 - (i) Bankers Bank
 - (ii) Banker to the Government

Question 8

- (a) State the law of supply. Explain any three factors other than price which determine supply in the market. [5]
- (b) Explain the meaning of the following terms: [5]
 - (i) Impact
 - (ii) Shifting
 - (iii) IncidenceTo which tax are these terms relevant? Explain any one merit and two demerits of this tax.

Question 9

- (a) Mention one way by which consumers are exploited in the market. [5]
Explain clearly three reasons as to why consumers are exploited.
- (b) Public expenditure in India has increased over the years. Explain four principle reasons for its increase. [5]

Question 10

- (a) (i) What is meant by the term "Inflation"? What is its impact on debtors? [5]
(ii) Explain the following:
1. Creeping inflation
2. Walking inflation
3. Hyper inflation
- (b) With the help of a suitable example explain the meaning of geographical or territorial division of labour. Discuss any three advantages of division of labour. [5]