

ICSE Board
Class X Economics
Board Paper – 2014

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 **Section A** and **any four** questions from **Section B**.
 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

State whether the following statements are true or false. Give reasons.

- a) Briefly explain two methods that increase land productivity. [2]
- b) What is meant by price elasticity of demand? [2]
- c) Distinguish between sunk capital and floating capital. [2]
- d) Give two reasons for consumer exploitation in India. [2]
- e) Distinguish between an entrepreneur and an organiser. [2]

Question 2

- a) State two factors affecting the market demand of a commodity. [2]
- b) Mention two factors that determine the supply of labour. [2]
- c) What is meant by demand pull inflation? [2]
- d) Progressive taxation is suitable for the Indian economy. Give reasons to support your answer. [2]
- e) Distinguish between a tax and a fee. [2]

Question 3

- a) Give two reasons for an increase in public expenditure in recent times. [2]
- b) Distinguish between limited legal tender and unlimited legal tender. [2]
- c) Define simple division of labour. [2]
- d) Give the full form of COPRA. How does it benefit consumers? [2]
- e) Discuss any two contingent functions of money. [2]

Question 4

- a) Explain the function of the central bank as a 'Banker' to the government. [2]
- b) Mention any two sources of external debt. [2]
- c) State two differences between tax on income and tax on commodity. [2]
- d) Draw a supply curve. [2]
- e) Briefly explain any one exception to the law of demand. [2]

SECTION II (40 Marks)

Attempt **any four** questions from this section.

Question 5

- a) Define land. Explain four characteristics of land as a factor of production. [5]
- b) Define efficiency of labour. Explain four factors that influence the efficiency of labour. [5]

Question 6

- a) Define capital formation. Explain three important stages of capital formation. [5]
- b) Draw a demand curve with the help of a hypothetical individual demand schedule. [5]

Question 7

- a) Define supply. Explain three reasons for the rightward shift of the supply curve. [5]
- b) Define public debt. Explain four types of public debt. [5]

Question 8

- a) Define a commercial bank. How do commercial banks mobilise deposits from the public. [5]
- b) Explain five advantages of division of labour. [5]

Question 9

- a) Define inflation. Explain four causes of inflation. [5]
- b) What is meant by quantitative credit control? [5]

Question 10

- a) Explain five ways in which consumers are exploited in India. [5]
- b) With the help of suitable diagrams explain the following degree of elasticity of supply. [5]
 - $E_p = \infty$
 - $E_p > 1$