

ICSE Board
Class X Economics
Sample Paper - 1

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

- a) What is market demand? [2]
- b) Mention any three sources of public borrowing. [2]
- c) What is meant by food adulteration? [2]
- d) How do commercial banks create credit money?
- e) What is cash reserve ratio?

Question 2

- a) What are normal goods? [2]
- b) What are the essential differences between a tax and a fee? [2]
- c) What are the harmful effects of food adulteration on human health? [2]
- d) Explain any two types of credit facilities provided by a commercial bank. [2]
- e) What is the difference between CRR and SLR? [2]

Question 3

- a) Name any two determinants of demand. [2]
- b) Distinguish between direct and indirect tax. [2]
- c) Mention any three arguments for raising consumer awareness in India. [2]
- d) Give any two arguments in favour of privatisation of commercial banks. [2]
- e) What is meant by productive mechanism? [2]

Question 4

- a) What are the effects of change in quantity demand and change in demand? [2]
- b) How does proportional tax differ from progressive tax? [2]
- c) What is the expansion of COPRA and RTI? Give any two features of COPRA, 1986. [2]
- d) Explain the term credit multiplier. [2]
- e) What is productivity of land? Distinguish between average and marginal productivity of land. [2]

SECTION B (40 Marks)

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

Question 5

- a) What are the rights of consumers? Explain any of the two rights stated in the Consumers Protection Act. [5]
- b) Define public finance. Give any four differences between public and private finance. [5]

Question 6

- a) What are the effects of inflation on various groups of society? [5]
- b) Define supply. Give any three determinants of supply. [5]

Question 7

- a) What is inflation? Distinguish between demand-pull and cost-push inflation? Explain the effects of inflation on investors. [5]
- b) Assume the price elasticity of demand for a good is equal to one. When the price is Rs 5, the demand in the market is 200 units. What is the quantity demanded if the price falls to Rs 2? [5]

Question 8

- a) Show the different degrees of elasticity of demand with the help of a diagram. [5]
- b) Discuss the concepts of impact and incidence of taxation. [5]

Question 9

- a) Differentiate between the movement along the supply curve and shift of the supply curve. [5]
- b) Explain the geometric method of measuring the price elasticity of demand? [5]

Question 10

- a) Define law of demand. Give any two applications of the concept of elasticity of demand. [5]
- b) Explain any three characteristics of land. State two functions of land as a factor of production. [5]