

ICSE 2023 EXAMINATION
SPECIMEN QUESTION PAPER
ECONOMICS

Maximum Marks: 80

Time allowed: Two hours

Answers to this Paper must be written on the paper provided separately.

*You will **not** be allowed to write during the first 15 minutes.*

This time is to be spent in reading the question paper.

The time given at the head of this Paper is the time allowed for writing the answers.

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

The intended marks for questions or parts of questions are given in brackets [].

SECTION A

*(Attempt **all** questions from this **Section**.)*

Question 1

[16]

Choose the correct answers to the questions from the given options.

(Do not copy the question, write the correct answers only.)

- (i) Labour earns _____ as a factor of production.
- (a) interest
 - (b) wages
 - (c) rent
 - (d) interest
- (ii) When the percentage change in quantity demanded is equal to percentage change in price then it is called as _____ demand.
- (a) Unit elastic
 - (b) Relatively elastic
 - (c) Relatively inelastic
 - (d) Unique elastic

- (iii) The concentration of cotton textile industries in Maharashtra and Gujarat are due to _____ based division of labour.
- (a) territorial
 - (b) process
 - (c) product
 - (d) technological
- (iv) When the government borrows money to build dams and canals for the development of the country then it is called as _____ debt.
- (a) productive
 - (b) unproductive
 - (c) gross
 - (d) developmental
- (v) When the rate of inflation is between 20 to 100 percent per annum then it is called as _____ inflation.
- (a) running
 - (b) walking
 - (c) galloping
 - (d) mild
- (vi) GST is an example of _____ tax.
- (a) goods
 - (b) services
 - (c) social
 - (d) indirect
- (vii) The sum total of all debts is called as _____ debt.
- (a) net
 - (b) gross
 - (c) public
 - (d) private

(viii) Cash deposited by customers in commercial banks are also known as _____.

- (a) Saving deposit
- (b) Derivative deposit
- (c) Secondary deposit
- (d) Total deposit

(ix) If _____ is used again and again, its value depreciates gradually.

- (a) capital
- (b) cotton
- (c) raw material
- (d) electricity

(x) _____ represents downward movement along the same supply curve.

- (a) Increase in supply
- (b) Decrease in supply
- (c) Contraction of supply
- (d) Extension of supply

(xi) License fee is an example of _____.

- (a) Citizen's revenue
- (b) Administrative revenue
- (c) Tax revenue
- (d) Commercial revenue

(xii) _____ should have the quality of farsightedness.

- (a) Labour
- (b) Entrepreneur
- (c) Landlord
- (d) Capitalist

- (xiii) Act of buying and selling of government securities by the central bank from and to the public is known as:
- (a) Bank rate
 - (b) Minimum reserve ratio
 - (c) CRR
 - (d) Open market operation
- (xiv) _____ spoils the nature and quality of food items.
- (a) Illiteracy
 - (b) Lack of information
 - (c) Food adulteration
 - (d) Artificial scarcity
- (xv) The study of the nature and principles of government's revenue and its expenditure is known as:
- (a) Public debt
 - (b) Public expenditure
 - (c) Financial administration
 - (d) Public finance
- (xvi) Which function of money facilitates future payments?
- (a) Standard of deferred payment
 - (b) Transfer of value
 - (c) Measure of value
 - (d) Unit of value

Question 2

- (i) Define the term inflation. [2]
- (ii) Explain *any two* factors affecting productivity of land. [2]
- (iii) What is the impact of inflation on farmers? [2]
- (iv) What is demonetisation? [2]

Question 3

- (i) Define the term demand. [2]
- (ii) Mention *any two* assumptions to the law of supply. [2]
- (iii) What is the meaning of consumer exploitation? [2]
- (iv) Why do labourers have less bargaining power? [2]

Question 4

- (i) How is an entrepreneur defined in economics? [2]
- (ii) Differentiate between land and capital. [2]
- (iii) Explain *any one* primary functions of money. [2]
- (iv) Define an oligopoly market. [2]

SECTION B

(Attempt any four questions from this Section.)

Question 5

- (i) Explain *five* important features of perfect competition market. [5]
- (ii) (a) What do you mean by law of demand? [5]
(b) Discuss *any three* exceptions to law of demand.

Question 6

- (i) Explain *any five* rights of a consumer. [5]
- (ii) (a) Define capital formation. [5]
(b) Explain *any three* characteristics of capital.

Question 7

- (i) Explain *any five* determinants of individual demand. [5]
- (ii) Differentiate between increase in supply and decrease in supply. [5]

Question 8

- (i) Mention *five* points of difference between direct and indirect taxes. [5]
- (ii) Explain *any five* economic causes for the growth of public expenditure in India in recent time. [5]

Question 9

- (i) Draw a graphical figure showing perfectly elastic supply. [5]
- (ii) (a) Define a commercial bank. [5]
- (b) Explain *any two* types of deposits accepted by commercial banks.

Question 10

- (i) Explain *any two* quantitative method of controlling money supply of a central bank. [5]
- (ii) Fill in the following market demand table: [5]

Price (In Rs.)	Consumer A	Consumer B	Consumer C	Market demand
10	3	(a)_____	6	13
9	(b)_____	5	7	16
8	5	6	8	(c)_____
7	6	7	(d)_____	22
6	7	8	9	(e)_____