

ICSE 2024 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) The _____ has to decide the reward for each factor of production.
- (a) Organiser
 - (b) Worker
 - (c) Consumer
 - (d) Entrepreneur
- (ii) Capital expenditure is _____ in nature.
- (a) Recurring
 - (b) Non recurring
 - (c) Positive
 - (d) Persuasive

- (iii) As a result of rise in consumer's income, the demand curve for coarse-grain (inferior good) will:
- (a) move upward along the same demand curve
 - (b) move downward along the same demand curve
 - (c) the demand curve will shift to the right
 - (d) the demand curve will shift to the left
- (iv) There was difficulty in future payments under barter system due to:
- (a) Lack of divisibility
 - (b) Lack of common measure of value
 - (c) Lack of storage system
 - (d) Lack of standard of deferred payments
- (v) Jute industry is an example of _____ division of labour.
- (a) Product based
 - (b) Geographical based
 - (c) Marketing based
 - (d) Production based



From the above visual depiction, identify the specific factor of production showcased in the image.

- (a) land
- (b) capital
- (c) labour
- (d) entrepreneur

- (vii) _____ market has one seller and many buyers.
- (a) Perfect
 - (b) Perfectly
 - (c) Monopoly
 - (d) Monopsony
- (viii) If you make investments in insurances or mutual funds, then it will be called a _____ type of capital.
- (a) Investment
 - (b) Financial
 - (c) Physical
 - (d) Profitable
- (ix) Ms. Sakshi, an economics teacher, was explaining the concept of '*minimum percentage of the total deposits to be kept by any commercial bank with the Central Bank of the country, as per norms prevailing in the country*'.
- From the following choose the correct alternative which specifies towards the concept explained by her?
- (a) Cash reserve ratio
 - (b) Repo rate
 - (c) Bank rate
 - (d) Statutory liquidity ratio
- (x) This refers to the legal definition of money-
- (a) Anything which generally acts as money
 - (b) Money are those things which are used as a medium of exchange
 - (c) Anything declared by the government as money is called money.
 - (d) Money consists of those things which have a high degree of portability.

- (xi) Which factor out of the following serves as the primary source of consumption?
- (a) Land
 - (b) Labour
 - (c) Capital
 - (d) Entrepreneur
- (xii) Which of the following is a determinant of market demand?
- (a) Taste and Preferences
 - (b) Consumer Credit Facility
 - (c) Income of the consumer
 - (d) Government policy
- (xiii) In perfect competition the sellers are selling _____ products.
- (a) Identical
 - (b) Different
 - (c) Unique
 - (d) Inexpensive
- (xiv) During barter exchange the rate of exchange was arbitrarily fixed. This resulted from:
- (a) Lack of common measure of Value
 - (b) Lack of divisibility
 - (c) Problem of storing wealth
 - (d) Problem of deferred payment
- (xv) Indian farmers are an example of _____ type of labour.
- (a) Process based
 - (b) Monopoly based
 - (c) Product based
 - (d) Complex based

- (xvi) A shirt costing Rs.300 represents _____ function of money.
- (a) Measure of value
 - (b) Store of value
 - (c) Transfer of value
 - (d) Cognizable value

Question 2

- (i) Give any two examples of commercial revenue. [2]
- (ii) What does consumer awareness mean? [2]
- (iii) ‘Specialization of labour helps the producers in their productive activities and is also beneficial to the workers’. Justify the statement with two suitable reasons. [2]
- (iv) Explain the meaning of overdraft facility. [2]

Question 3

- (i) Define the term demand. [2]
- (ii) Why is capital subject to depreciation? [2]
- (iii) How is fixed deposit different from saving deposit? [2]
- (iv) [2]



Picture 1



Picture 2

Analyse the visual elements in the above two pictures and *identify the standardisation mark* required for Picture 1 and Picture 2 *respectively* as per *the consumer protection measure*.

Question 4

- (i) How does net debt differ from gross debt? [2]
- (ii) Explain the term elasticity of demand. [2]
- (iii) Ram and Shyam were both travelling by train from Delhi to Chennai separately. However, the *cost of their tickets is different*. Why? Give a reason for the railways charging different prices to different customers. [2]
- (iv) Under what conditions does the supply of good exhibit unitary elasticity? [2]

SECTION B

(Attempt **any four** questions from this **Section**.)

Question 5

- (i) With the help of a graph explain the *increase in demand concept*. [5]
- (ii) Explain any five demerits of direct tax? [5]

Question 6

- (i) (a) Define a market. [5]
- (b) Explain any three features of a monopolistic market.
- (ii) List any five important duties of a consumer? [5]

Question 7

- (i) (a) What is the meaning of inflation? [5]
- (b) Explain any three evil effects of inflation on production.
- (ii) Differentiate between commercial and central bank (five points). [5]

Question 8

- (i) Differentiate between extension and contraction of demand. [5]
- (ii) (a) State the law of supply. [5]
- (b) Explain any three factors affecting elasticity of supply.

Question 9

- (i) (a) What is the meaning of the Consumer Price Index (CPI)? [5]
(b) Mention any three objectives of GST.
- (ii) (a) What is the meaning of consumer exploitation? [5]
(b) Explain any three rights of a consumer.

Question 10

- (i) Explain the *determinants* of *individual* demand? [5]
- (ii) Read the extract and answer the following questions. [5]

Shruti and her friends have an idea to start selling makeup kits. They already have saved money for the merchandise, models and displays. Since they all own the company, they will work for free.

- (a) Name the factor of production which is not mentioned.
- (b) Explain any four features/*characteristics* of the above (a) factor of production.