

VIBGYOR HIGH

First Preliminary Examination

AY 2020-2021

ECONOMICS

Grade: X

Max. Marks : 80

Date : 11/12/2020

Time Allowed: 2 hour

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 the questions or parts of questions are given in the brackets [].

Section A (40 Marks)

Attempt all the questions from this Section.

Q 1

- a What is meant by composite demand? Give an example. [2]
- b Give two differences between creeping inflation and hyperinflation. [2]
- c Define public finance. [2]
- d How direct tax helps to remove income inequality in a society? [2]
- e What is meant by 'capital is the result of past savings'? [2]

Q 2

- a How does money overcome the problem of double coincidence of wants in the barter system? [2]
- b Mention two ways in which a producer can benefit from division of labour. [2]
- c Explain the meaning of supply. [2]
- d Give two differences between revenue expenditure and capital expenditure. [2]
- e What are two advantages of central bank being 'a custodian of cash reserves of the commercial banks'? [2]

Q 3

- a Define capital formation. Mention three stages of capital formation. [2]
- b What is RTI? [2]
- c What is meant by credit creation? [2]
- d Discuss the evolution of money. [2]
- e Distinguish between productive and unproductive debt with an example. [2]

Q 4

- a What is redeemable debt? [2]
- b State two differences between fixed deposits and recurring deposits. [2]
- c Discuss two features of land with respect to its supply. [2]
- d What is meant by C to C economy? Give an example. [2]
- e What is the difference between substitute goods and complimentary goods? [2]

Section B (40 Marks)

Attempt any four questions from this Section.

Q 5

- a Explain the following statements : [5]
- i. Money provides a link between the present and the future.
 - ii. Money is the basis of credit.
- b Define consumer awareness. Write four reasons why consumers are exploited in India. [5]

Q 6

- a Define GST. Discuss any three objectives of GST. [5]
- b Distinguish between a central bank and a commercial bank. [5]

Q 7

- a Explain the following: [5]
- i. Cash credit
 - ii. Discounting of Bills of Exchange
- b Define productivity of land. Explain four factors affecting productivity of land. [5]

Q 8

- a Discuss any five reasons for the growth of public expenditure in India. [5]

- b Explain any five factors which can affect the supply of a commodity other than its own price. [5]

Q 9

- a Define demand. Discuss any three factors which can only influence market demand of a commodity. [5]
- b Write two merits and three demerits of indirect tax. [5]

Q10

- a How does an entrepreneur help in economic development of the country? [5]
- b 'An alert consumer is a safe consumer.' Give reasons to support your answer. [5]
