

STAN THOMAS RESIDENTIAL SCHOOL, TIRUVALLA
FIRST TERMINAL EXAMINATION 2019-20
ECONOMIC APPLICATIONS

STD: X

Time : 2 hrs

Marks: 100

[Answer all The questions from Part A and any four from Part B]

PART A

Question 1

- a. State the Law of Demand With of its Assumptions. [2]
- b. What are the following types of demand? [2]
 - i. composite demand
 - ii. cross demand
- c. Bring out two differences between want and Demand. [2]
- d. What do you mean by effective demand? [2]
- e. State any two unique factors that determine the Market demand for a commodity. [2]

Question 2.

- a. State any two factors that are responsible for determining the Elasticity of supply. [2]
- b. What is the difference between stocks and supply? [2]
- c. What do you mean by supply of a commodity? [2]
- d. Two factors responsible for a shift in the demand curve to the left. [2]
- e. What do you mean by Income effect of demand for a commodity. [2]

Question 3.

- a. When the price of a commodity increases from Rs. 10 to Rs 15 the demand for it falls from 50 to 30 units . Find the price elasticity of demand for the commodity. [2]
- b. Bring out two agency functions of commercial banks. [2]
- c. Two benefits of having a bank account. [2]
- d. What do you mean by merchant banking and retail banking? [2]
- e. Explain the Lead Bank Scheme function of a commercial bank. [2]

Question 4.

- a. Who is called the Lender of the Last Resort. Why? [2]
- b. How does RBI act as Banker to the Government? [2]
- c. What do Mean by Fiat Money? [2]
- d. What is Unlimited Legal Tender? Why is it called so? [2]
- e. Define Repo Rate. [2]

PART B

Question 5.

- a. Examine the Factors determining the Supply for a commodity? Any Four
- b. i. With the help of a neat diagram explain the concept a market supply curve
- ii. Explain two reasons for upward sloping supply curve
- iii. State any two factors responsible for a shift in the supply curve to the right

Question 6.

- a. i. Discuss how a change in the government policy would affect the supply of a commodity with the help of a diagram
- ii. Give any two exceptions to the Law of Supply.
- b. Show any four elasticity of supply using diagrams

Question 7.

- a. i. Bring out any two exceptions to the Law of Demand
- ii. Explain any two methods of measuring elasticity of demand.
- b. Briefly bring out the difference between increase in demand and increase in the quantity demand of a commodity.

Question 8.

- a. What are the different ways in which commercial banks borrow money from the public?
- b. Examine in detail any four quantitative credit control policies of RBI.
