

ICSE Board Class 10 2026 Economics Question Paper

Time Allowed :2 Hours

Maximum Marks :80

Total questions :11

General Instructions

Read the following instructions very carefully and strictly follow them:

1. The paper is divided into Section A and Section B.
2. Section A includes objective-type questions.
3. All questions in Section A are compulsory.
4. Section B includes short answer, and long answer type questions.
5. Answers must be written legibly within the word limit.
6. Use of unfair means or electronic devices is prohibited.
7. Follow the correct format and instructions for each section.

Section - A

1(i). When ABC Electronics implemented division of labour, the workers became more productive. This happened due to -----

- (A) Rotation
- (B) Motivation
- (C) Mechanisation
- (D) Specialisation

(ii) What will be the elasticity of demand for the given commodity as shown in the picture?

- (A) Elastic
- (B) Unit elastic

- (C) Inelastic
 - (D) Perfectly elastic
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(iii). When income increases, the demand for type of goods will increase:

- (A) Inferior
 - (B) Giffen
 - (C) Normal
 - (D) Homogeneous Necessities
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(iv). The following supply curve shifts from S1 to S2. It may be due to:

- (A) Increase in tax
 - (B) Improvements of technology
 - (C) Rise in the price of inputs
 - (D) Increase in the number of producers
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(v). Statement 1: Income tax, GST, and Custom Duties are examples of Tax Revenues.

Statement 2: Excise and Forfeitures are also part of Tax Revenues.

- (A) Both Statement 1 and 2 are true.
 - (B) Both Statement 1 and 2 are true, but Statement 2 is not the correct explanation of Statement 1.
 - (C) Statement 1 is true, but Statement 2 is false.
 - (D) Statement 1 is false, but Statement 2 is true.
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(vi). Which of the following leads to a situation where people are unable to trade with each other?

- (A) Lack of Double Coincidence of Wants
- (B) Lack of Durability
- (C) Lack of Common Measure of Value

(D) Problem of Storing Wealth

(vii). Someone is a trained nurse who offers services to a hospital. Once her duty hours end, she cannot carry forward her usual services to the next day.

- (A) Labour is mobile
 - (B) Labour is perishable
 - (C) Labour is not homogeneous
 - (D) Labour can be separated from the labourer
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(viii). Assertion (A): Commercial banks accept various types of deposits to meet the needs of different customers.

Reason (R): Fixed deposits allow consumers to deposit money for a specific period and earn high interest, while current deposits do not help in earning interest but help in frequent transactions for businesses.

- (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A).
 - (B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A).
 - (C) Assertion (A) is true, but Reason (R) is false.
 - (D) Assertion (A) is false, but Reason (R) is true.
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(ix). Assertion (A): Commercial banks accept various types of deposits to meet the needs of different customers.

Reason (R): Fixed deposits allow consumers to deposit money for a specific period and earn high interest, while current deposits do not help in earning interest but help in frequent transactions for businesses.

- (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A).

- (B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A).
- (C) Assertion (A) is true, but Reason (R) is false.
- (D) Assertion (A) is false, but Reason (R) is true.
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(x). Household and farming utility are considered as consumer goods. From which of the following pairs is considered as complementary goods?

- (A) Oats and Jam Rolls
- (B) Toothbrush and Toothpaste
- (C) Petrol cans and Electric cars
- (D) LPG and CNG
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(xi). Goods like fruit and vegetables are both described as examples of which type of market form?

- (A) Perfect competition
- (B) Monopoly
- (C) Oligopoly
- (D) Monopolistic competition
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(xii). State the relationship to the plan pair of rights and consumer the relevant pair.

- (A) Right to be informed - Information about products
- (B) Right to seek redress - Protection against harmful products
- (C) Right to consumer education - Awareness about environmental disposal
- (D) Right to seek compensation for defective goods and services - Legal recourse
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(xiii). During the time of inflation, the Central Bank will in order to control the inflation.

- (A) Buy Government Securities

- (B) Decrease the Cash Reserve Ratio
 - (C) Sell Government Securities
 - (D) Increase the Statutory Liquidity Ratio
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(xiv). Which of the following is NOT a cause of Cost Push Inflation?

- (A) Increased prices
 - (B) Rise in population
 - (C) Fluctuations in output and supply
 - (D) External factors
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(xv). The Government of India borrows a large sum of money from international financial institutions to build highways and modernize railways. This situation is an example of:

- (A) Debt for fiscal purposes
 - (B) Debt for productive purposes
 - (C) Public revenue
 - (D) Text debt
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(xvi). In which type of market do both buyers and sellers have accurate and complete information about market conditions?

- (A) Oligopoly
 - (B) Monopolistic competition
 - (C) Monopoly
 - (D) Perfect competition
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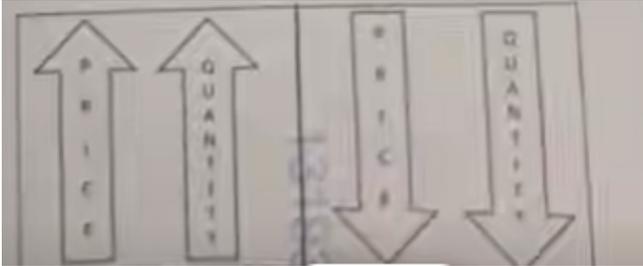
Section - B

2(A) Define the concept of consumer capitalism.

(B) “Risk bearing is the backbone of entrepreneurship.” Justify the statement.

(C) What is meant by the ”Margin Requirement” on invested capital?

(D) Which concept is depicted in the growth image and explain the concept?



3(i) Explain the meaning of Hyperinflation.

(ii) Outline two primary reasons why economists consider that the supply of land is fixed.

(iii) Define the term Regenerative Tax.

(iv) Observe the image and identify the type of capital it represents. Briefly explain your answer.



4(i). State one point of difference between fundal debt and unfunded debt.

(ii) The elasticity of demand tends to be higher in the long run than in the short run.

(iii) Ravi deposits 50,000 in his savings account in a commercial bank. The bank loans a part of this money to give loans to another customer. This process is repeated with other deposits and borrowers.

(iv) Identify whether Ravi's deposit is primary or derivative.

(v) Give a reason for your choice.

5. (A) Land is one of the most important factors of production. In this context, explain the factors that affect the productivity of land.

(B) State any four differences between Commercial Banks and Central Bank.

6(A). Identify the type of market referred to in the given image.



(B) Explain any three characteristics of the classified market.

(C) State and explain any five characteristics of Capital.

7(i). Define the barter system of exchange.

(ii) List the last three stages in the evolution of money.

8(i). What is Public Expenditure?

(ii) State and explain any three types of direct tax.

(iii) How are consumers exploited by retailers?

9(i). Define the term demand.

(ii) Complete the following market demand schedule.

Price of wheat (₹ per kg)	Demand by Consumer A (kg per month)	Demand by Consumer B (kg per month)	Demand by Consumer C (kg per month)	Market demand (kg per month)
10	2	6	8	I _____
8	4	II _____	9	20
7	8	9	III _____	27

10(A). Define Public Debt.

(B) Explain any three causes of growth of Public Expenditure.

11(A). Identify the type of inflation described in the above extract.

(B). Briefly explain the nature of the inflation mentioned in (A).

(C) State and explain any three causes of the type of inflation described above.
