



# VIDHVATH ACADEMY FOR COMPETITIVE EXAMS

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## SUBJECT WISE TEST: VPT042

### INDIAN ECONOMY TEST BOOKLET

*Time Allowed: 120 mins*

*Maximum Marks: 200*

#### INSTRUCTIONS

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS BOOKLET DOES NOT HAVE ANY UNPRINTED OR TURN OR MISSING PAGES OR ITEMS, ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
  2. ENCODE CLEARLY THE TEST BOOKLET SERIES A, B, C OR D AS THE CASE MAY BE IN THE APPROPRIATE PLACE IN THE ANSWER SHEET.
  3. You have to enter your Roll Number on the Test Booklet in the Box provided alongside. Do NOT write anything else on the Test Booklet.
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4. This Test Booklet contains 100 items (Questions). Each item is printed in English. Each item comprises four responses (answers). You will select the response which you want to mark on the Answer Sheet. In case you feel that there is more than one correct response with you consider the best. In any case, choose ONLY ONE response for each item.
  5. You have to mark all your responses ONLY on the separate Answer Sheet provided. See direction in the answers sheet.
  6. All items carry equal marks. Attempt all items. Your total marks will depend only on the number of correct responses marked by you in the answer sheet. For every incorrect response 1/3<sup>rd</sup> of the allotted marks will be deducted.
  7. Before you proceed to mark in the Answer sheet the response to various items in the Test booklet, you have to fill in some particulars in the answer sheets as per instruction sent to you with your Admission Certificate.
  8. After you have completed filling in all responses on the answer sheet and the examination has concluded, you should hand over to Invigilator only the answer sheet. You are permitted to take away with you the Test Booklet.
  9. Sheet for rough work are appended in the Test Booklet at the end.

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ASKED TO DO SO

1. Which of the following would be a likely consequence if the Reserve Bank of India (RBI) implements full capital account convertibility in India?

1. Indian companies will have easier access to foreign capital.
2. It will reduce the need for maintaining high levels of foreign exchange reserves by the RBI
3. Indian residents can freely convert rupees into foreign currency for overseas investments.
4. RBI would have more control over inflation due to better capital inflows.

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 2 and 4 only
- (c) 1 and 3 only
- (d) 1, 2 and 3 only

2. Consider the following statements regarding the Special Drawing Rights (SDRs) allocated by International Monetary Fund (IMF):

1. Statement-I: SDR allocation by the IMF supplements the foreign exchange reserves of the countries.
2. Statement-II: SDR is a currency issued by the IMF that can be used for settling international transactions.
3. Statement III: Countries can exchange SDRs for freely usable currencies among themselves.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-II and Statement-III are correct and both of them explain Statement-I
- (b) Both Statement-II and Statement- III are correct, but only one of them explains Statement-I
- (c) Only one of the Statements II and III is correct and that explains Statement-I
- (d) Only one of the Statements II and III is correct, but that does not explain Statement-I

3. Which of the following schemes of the Government of India ensures the remunerative price for farmers while eliminating the logistical costs associated with procurement and warehousing?

- (a) Price Stabilization Fund
- (b) Price Support scheme
- (c) Price Deficiency Payment Scheme
- (d) Market Intervention Scheme

4. Consider the following factors:

1. Expansionary monetary policy
2. Depreciation of Rupee
3. Fiscal stimulus
4. Reduction in corporate tax rate

How many of the above will have a direct impact on increasing cost-push inflation in the Indian economy?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

5. Consider the following statements:

1. Statement I: Occurrence of stagflation in an economy contradicts the concept of Phillips curve.
2. Statement II: Phillips curve suggests an inverse relationship between inflation and unemployment.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is Correct but Statement-II is incorrect
- (d) Statement-I is incorrect but Statement-II is correct

6. Consider the following:

1. Loans from multilateral agencies such as the World Bank
2. External Commercial Borrowings (ECBs)
3. Non-Resident Indian (NRI) Deposits

4. Foreign Portfolio Investment (FPI) in Government Securities (G-Secs)

How many of the above constitute external debt in India?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

7. Consider the following statements regarding Urea:

- 1. India is a net exporter of urea.
- 2. Subsidy on urea is provided only for agricultural purposes, not for industrial purposes.
- 3. The Government of India mandates all indigenous urea manufacturers and importers to produce 100% neem-coated urea.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

8. Consider the following statements:

- 1. Statement I: In the case of Masala Bonds, the currency risk is borne by the investor.
- 2. Statement II: The value of Masala Bonds is denominated in Indian currency.

Which one of the following is correct regarding the above statements?

- (a) Both Statement I and Statement II are correct, and Statement II is the correct explanation for Statement I
- (b) Both Statement I and Statement II are correct, but Statement II is not the correct explanation for Statement I
- (c) Statement I is correct, but Statement II is incorrect
- (d) Statement I is incorrect, but Statement II is correct

9. The richest 10 individuals in Country A earn 50% of the total income, whereas the richest 10 individuals in Country B earn

60% of the total income. In this context, which of the following is most likely to be true?

- (a) The Gini Coefficient for Country A will be higher than that of Country B
- (b) The Gini Coefficient for Country A will be lower than that of Country B
- (c) The Gini Coefficient for Country A will be equal to that of Country B
- (d) None of the above

10. In the context of poverty estimation, consider the following statements:

- 1. Absolute poverty is concerned with basic needs such as food, shelter, and clothing.
- 2. Relative poverty focuses on inequality within a society.
- 3. International Poverty Line, defined by the World Bank, is an example of relative poverty.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 1 and 2 only
- (c) 2 and 3 only
- (d) 1, 2, and 3

11. With reference to the World Trade Organization (WTO) and its classification of agricultural subsidies, consider the following statements:

- 1. Amber Box contains subsidies that are forbidden and must be eliminated.
- 2. Blue Box contains subsidies that are tied to programs limiting production.
- 3. Green Box contains subsidies that are decoupled from current production levels or prices.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

12. Consider the following pairs:

Term	Description
1. Labour Force Participation Rate -	Percentage of persons in the labour force in the population.
2. Worker Population Ratio -	Percentage of employed persons in the population.
3. Unemployment Rate -	Percentage of persons unemployed among the persons in the labour force.

How many of the above pairs are correctly matched?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

13. Consider the following statements:

- 1. Statement I: Devaluation of a currency may improve a country's balance of trade.
- 2. Statement II: Devaluation makes exports cheaper and imports more expensive.

Which of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct but Statement-II is incorrect
- (d) Statement-I is incorrect but Statement-II is correct

14. 'Balance of Payments' is a record of transactions of

- (a) Goods, services and assets between residents of a country with the rest of the world.
- (b) Goods, services and assets between government of a country with the rest of the world
- (c) Goods, services and assets between the government of a country with the IMF and the World Bank.

- (d) Goods, services and assets between citizens of a country with the rest of the world.

15. With reference to agriculture, what does the term "de minimis" refer to?

- (a) It refers to the minimum threshold of agricultural subsidies, below which a country is exempt from reporting to the World Trade Organization (WTO).
- (b) It refers to the minimum amount of trade required for a country to achieve Most Favoured Nation (MFN) status.
- (c) It is the minimum level of credit mandated for the agriculture sector by scheduled commercial banks.
- (d) It refers to the maximum allowable subsidies or domestic support under the Agreement on Agriculture.

16. With reference to Government Securities (G-Secs) in India, consider the following statements:

- 1. Treasury Bills are part of the Money Market, whereas Government Bonds are part of the Capital Market.
- 2. The Central Government can issue both Treasury Bills and Government Bonds, but State Governments can issue only Government Bonds.
- 3. Treasury Bills do not pay regular interest, while Government Bonds pay regular interest.

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2, and 3

17. With reference to financial markets, consider the following activities:

- 1. Rights issue by a company
- 2. Private placement of a company's shares
- 3. Auction of Government Bonds

Which of the above activities form a part of the Primary Market?

- (a) 1 and 2 only

- (b) 1 only
- (c) 2 and 3 only
- (d) 1, 2, and 3

18. Consider the following pairs:

- |   |                        |
|---|------------------------|
| Report                                  | - Released by          |
| 1. Global Gender Report                 | - World Economic Forum |
| 2. Global Economic Prospect Report      | - World Bank           |
| 3. Sustainable Development Goals Report | - UNEP                 |

How many of the above pairs are correctly matched?

- (a) Only one pair
- (b) Only two pairs
- (c) Only three pairs
- (d) All four pairs

19. Which of the following is necessarily correct for an economy experiencing a Current Account Deficit (CAD)?

- 1. Its merchandise imports exceed its merchandise exports.
- 2. Its foreign exchange reserves will decline as a result of financing the deficit.

Select the correct answer using the codes given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

20. Which of the following statements is not correct regarding the Periodic Labour Force Survey (PLFS) in India?

- (a) It provides quarterly estimates of key employment and unemployment indicators for only urban areas.
- (b) It provides annual estimates of key employment and unemployment indicators for both urban and rural areas.
- (c) It captures the employment data based on both 'Usual Status' and 'Current Weekly Status'.

- (d) It is published quarterly by the Labour Bureau, Ministry of Labour and Employment.

21. If there is a cut in interest rates by the US Federal Reserve, which of the following could be its most likely impacts on India?

- 1. It can lead to depreciation of the rupee against the dollar.
- 2. It can benefit exporters while adversely affecting importers in India.
- 3. It can incentivize global investors to invest in India.

Select the correct answer using the codes given below:

- (a) 1 and 2
- (b) 2 only
- (c) 1 and 3
- (d) 3 only

22. In the context of finance, the term 'arbitrage' refers to:

- (a) Simultaneous purchase and sale of an asset in different markets to profit from price differences.
- (b) A type of systematic risk that arises when perfect hedging is not possible.
- (c) An increase in market fluctuations beyond a specific limit.
- (d) The difference in expected returns between two asset classes, such as equity and bonds.

23. With reference to Farmer Producer Organizations (FPOs), consider the following statements:

- 1. The ownership of an FPO lies with the respective State Governments.
- 2. FPOs have to mandatorily register as a Producer Company under the Companies Act, 2013.
- 3. Both producers and corporate entities can be members of an FPO.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three

(d) None

**24.** Consider the following items:

1. Remittances received by India from abroad
2. External assistance received by India in the form of loans
3. Borrowings by the government from the RBI
4. Foreign portfolio investment in India

How many of the above are included in the capital account of India's Balance of Payments?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All Four

**25.** Which of the following factors can affect the foreign exchange rate of a country, assuming other factors remain constant?

1. Increase in income
2. Interest rate differentials
3. Imposing tax barriers on imports

Select the correct answer using the codes given below:

- (a) 1 and 2 Only
- (b) 3 Only
- (c) 1, 2 and 3
- (d) 2 and 3 Only

**26.** Consider the following statements:

1. Statement I: Investment in equity is considered more risky than investment in a bond.
2. Statement II: Purchasing equity provides ownership in a company, whereas purchasing a bond is similar to lending money to the company.

Which one of the following is correct regarding the above statements?

- (a) Both Statement-I and Statement-II are correct, and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct, but Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct, but Statement-II is incorrect

(d) Statement-I is incorrect, but Statement-II is correct

**27.** In the context of finance, which of the following statements best reflects the term 'Amortization'?

- (a) It is an accounting technique used to systematically reduce the book value of a loan or an intangible asset over a specified period.
- (b) It refers to a loan taken for the purpose of purchasing or maintaining a home, plot of land, or other real estate.
- (c) It describes a situation where a business, individual, or government provides financial assistance or resources to a failing company.
- (d) It refers to the act of pledging an asset as collateral to secure a loan.

**28.** As part of Foreign exchange reserves management, the Reserve Bank of India (RBI) can deploy its foreign exchange reserves as:

1. Deposits with foreign commercial banks
2. Deposits with Bank for International Settlements
3. Certain types of derivatives

Select the correct answer using the codes given below:

- (a) 2 only
- (b) 1 and 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

**29.** Consider the following statements regarding the "Minimum Support Price (MSP)":

1. The MSP for each cropping season is declared after the crops are harvested.
2. The MSP is announced by the Commission for Agricultural Costs and Prices (CACP).
3. MSP is legally binding across the country.

Which of the statements given above are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) None

30. Consider the following sectors:

1. Atomic Energy
2. Chit Funds
3. Banking
4. Mining & Exploration of metals and non-metal ores
5. Nidhi Company

In how many of the above sectors is Foreign Direct Investment (FDI) completely prohibited under any route?

- (a) Only two
- (b) Only three
- (c) Only four
- (d) All five

31. With reference to Participatory notes in Indian context, consider the following statements:

1. They are issued by a registered Foreign Institutional Investor to overseas investors.
2. They are a type of derivative instrument.
3. They allow foreign investors to buy stocks listed on Indian exchanges without being registered with SEBI

How many of the statements given above is/ are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

32. With reference to the Household Consumption Expenditure Survey 2022-23, consider the following statements:

1. The consumption expenditure of both the Urban and Rural households has risen since the last survey, with urban households showing a sharper growth in spending.
2. Punjab had the highest average Monthly Per Capita Consumption

Expenditure (MPCE) in both rural and urban areas.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

33. The rapid growth of the gig economy in India can potentially lead to:

- (a) Increased tax revenue due to formalization of work.
- (b) Reduced social security burden on the government.
- (c) Enhanced worker benefits and social security coverage.
- (d) A decline in job security and traditional employee benefits.

34. Consider the following statements regarding Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI) in India:

1. FPI is defined as an investment by non-residents that exceed 10% of a company's capital.
2. Foreign Portfolio Investors are not allowed to invest in Government securities.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

35. With reference to an economy, consider the following pairs:

- | Economic Curve   | -Depicts Relation Between                      |
|------------------|--|
| 1. Lorenz Curve  | -Percentage of income and percentage of people |
| 2. Kuznets Curve | - Per Capita Income and Income Inequality      |
| 3. Engel's Curve | - Inflation and Consumption Expenditure        |
- How many of the above pairs are correctly matched?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

36. Consider the following sectors:

- 1. Agriculture
- 2. Livestock
- 3. Forestry
- 4. Fishing
- 5. Mining and Quarrying

How many of the above are included in the primary sector of the economy?

- (a) Only two
- (b) Only three
- (c) Only four
- (d) All five

37. Regarding the National Bank for Agriculture and Rural Development (NABARD), consider the following statements:

- 1. It regulates and supervises cooperative banks and regional rural banks in India.
- 2. It is jointly owned by the Government of India and the Reserve Bank of India.
- 3. It provides direct financial assistance to individual farmers for agricultural purposes.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

38. Which of the following types of unemployment occurs when there is an economy-wide decline in aggregate demand for goods and services during a recession or depression?

- (a) Structural Unemployment
- (b) Cyclical Unemployment
- (c) Frictional Unemployment
- (d) Market Unemployment

39. In the context of the Indian economy, consider the following parameters:

- 1. Maternal Health
- 2. Bank Account
- 3. Cooking Fuel
- 4. Assets

Which of the above are included in the NITI Aayog's National Multidimensional Poverty Index?

- (a) 1 and 2 only
- (b) 1, 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2, 3 and 4

40. With reference to USA's company doing business in India, the profit made by the company is the part of:

- 1. USA's Gross National Product (GNP)
  - 2. India's Gross Domestic Product (GDP)
- Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

41. Consider the following statements:

- 1. Statement-I: Increase in domestic and international Bond yields can cause Indian stock market to slide down.
- 2. Statement II: Increase in bond yields can make equity markets less attractive for risk averse investors.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I.
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I.
- (c) Statement-I is correct but Statement-II is incorrect.
- (d) Statement-I is incorrect but Statement-II is correct.



42. With reference to the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme, consider the following statements:

1. All farmer families owning up to 2 hectares of cultivable land are provided financial assistance of Rs 6,000 annually.
2. The assistance is transferred directly into the bank accounts of beneficiaries in three equal installments each year.
3. The scheme is fully funded by the Central Government.

Which of the statements given above are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2, and 3

43. Consider the following statements:

1. Statement-I: The objective of the Production Linked incentive (PLI) scheme is to double Indian exports by 2025.
2. Statement II: Incentives under the PLI scheme are based on incremental sales from products manufactured in India.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I.
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I.
- (c) Statement-I is correct but Statement-II is incorrect.
- (d) Statement-I is incorrect but Statement-II is correct

44. Consider the following statements regarding the Corporate bond market in India:

1. Corporate bond market is primarily regulated by the Reserve Bank of India (RBI).

2. India's Government debt market is bigger than its corporate debt market. Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

45. India's Current Account Deficit (CAD) is frequently expressed as a percentage. This percentage is calculated in relation to:

- (a) Total size of the Indian economy (GDP)
- (b) Government's annual fiscal deficit
- (c) Country's outstanding external debt
- (d) Value of India's total imports

46. With reference to India's National Logistics Policy (NLP), consider the following statements:

1. Statement-I: NLP aims to bring down logistics costs in India to 13 % of Gross Domestic Product.
2. Statement-II: India endeavors to be among the top 25 countries by 2030 in the Logistics Performance Index

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct but Statement-II is not correct
- (d) Statement-I is incorrect but Statement-II is correct

47. Consider the following statements:

1. DAP (di-ammonium phosphate) is the second most commonly used fertilizer in India
2. Due to its tiny particle size, Nano DAP is absorbed more efficiently by plants, leading to better photosynthetic efficiency.

3. Conventional DAP is more cost effective but less convenient than Nano DAP

How many of the statements given above is/ are correct?

- (a) Only one  
(b) Only two  
(c) All three  
(d) None

48. In the context of 30th anniversary of United Nations Convention to Combat Desertification, consider the following statements:

1. It is the only legally binding international agreement linking environment and development to sustainable land management.
2. It was adopted at the 1992 Rio Earth Summit.

Which of the statements given above is/are correct?

- (a) 1 only  
(b) 2 only  
(c) Both 1 and 2  
(d) Neither 1 nor 2

49. Consider the following statements regarding the National Financial Reporting Authority (NFRA) in India:

1. It is responsible for enforcing compliance with accounting standards and auditing standards.
2. It was formed under the provisions of Companies Act, 2013.

Which of the statements given above is/are correct?

- (a) 1 only  
(b) 2 only  
(c) Both 1 and 2  
(d) Neither 1 nor 2

50. Nagi and Nakti Bird Sanctuaries, recently recognised as wetlands of international importance under the Ramsar Convention, are located in the state of:

- (a) Arunachal Pradesh  
(b) Bihar

- (c) Uttar Pradesh  
(d) Nagaland

51. Which of the following best describes the term “Secured Overnight Financing Rate (SOFR)”, often seen in the news?

- (a) It is a benchmark interest rate used to determine mortgage rates in the U.S. housing market.  
(b) It is an interest rate set by the United States Federal Reserve for interbank overnight lending.  
(c) It is an interest rate used for short-term loans between Central banks of the countries.  
(d) It is a benchmark interest rate for dollar-denominated derivatives and loans.

52. Government of India has recently launched a Viability Gap Funding (VGF) scheme for Offshore Wind Energy. In this context, consider the following:

1. Statement-I: The cost per unit of energy for offshore wind turbines is generally lower than that of onshore wind turbines.
2. Statement-II: Greater wind speeds and the lack of obstructions in the sea make offshore turbines more efficient.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct, and Statement-II explains Statement-I  
(b) Both Statement-I and Statement-II are correct, but Statement-II does not explain Statement-I  
(c) Statement-I is correct, but Statement-II is incorrect  
(d) Statement-I is incorrect, but Statement-II is correct

53. Consider the following statements regarding the New Development Bank (NDB):

1. Membership in the NDB is limited to only BRICS nations.

2. All the member countries of the NDB hold an equal share of the bank's equity.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

54. Consider the following statements:

- 1. Statement-I: World Environment Day is celebrated on 5th June every year
- 2. Statement-II: 5th June marks the first day of the Stockholm Conference on the Human Environment held in 1972.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct, and Statement-II explains Statement-I
- (b) Both Statement-I and Statement-II are correct, but Statement-II does not explain Statement-I
- (c) Statement-I is correct, but Statement-II is incorrect
- (d) Statement-I is incorrect, but Statement-II is correct

55. World Trade Organisation's "peace clause", often seen in the news, is related to which of the following:

- (a) Intellectual property rights
- (b) Dispute related to solar cells
- (c) Agricultural subsidy
- (d) Anti dumping duty

56. With reference to the Fair and Remunerative Price (FRP) and State Advisory Price (SAP), consider the following statements:

- 1. FRP is the minimum price that sugar mills have to pay to the farmers for purchase of sugarcane.
- 2. While FRP is approved by the Commission for Agriculture Costs and Prices, SAP is approved by the respective State Governments.
- 3. SAP is generally higher than the FRP.

Which of the statements above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

57. Recently, the Reserve Bank of India has decided to use which of the following policy rates as the floor rate for the Liquidity Adjustment Facility (LAF) corridor?

- (a) Repo rate
- (b) Reverse repo rate
- (c) Marginal Standing Facility Rate
- (d) Standing Deposit Facility Rate

58. With reference to the National Monetisation Pipeline (NMP), consider the following statements:

- 1. It aims to unlock value in brownfield public sector assets by engaging private sector participation.
- 2. It proposes transferring the ownership of loss-making core assets to private players.
- 3. NMP period has been kept co-terminus with the remaining period of the National Infrastructure Pipeline.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

59. Consider the following statements regarding the International Financial Services Centres Authority (IFSCA):

- 1. It is responsible for the regulation and supervision of authorized banks and non-banking financial institutions operating in International Financial Services Centres.
- 2. It is headquartered at GIFT City in Gujarat.

Which of the statements given above is/are correct?

- (a) 1 only

- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**60.** With respect to the Indo-Pacific Economic Framework for Prosperity (IPEF), consider the following statements:

1. India has joined all the pillars of IPEF except the Trade pillar.
  2. All Quad countries are part of IPEF.
- Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**61.** Which of the following indicators is not a primary measure for assessing the adequacy of foreign exchange (forex) reserves in a country?

- (a) Ratio of reserves to Broad money
- (b) Import cover
- (c) Percentage of reserves invested in government securities
- (d) Ratio of reserves to short-term external debt

**62.** Business Ready (B-READY) is a new flagship report introduced by the:

- (a) World Trade Organization
- (b) International Monetary Fund
- (c) World Economic Forum
- (d) World Bank

**63.** Consider the following statements about Open Network for Digital Commerce (ONDC):

1. Its main objective is to reduce the regulatory compliances for E-commerce companies in India.
2. It functions as an intermediary layer between buyers and sellers.
3. Under ONDC, a buyer registered on one e-commerce website may directly purchase goods from a seller who sells on another website.

4. It has been initiated by the Ministry of Electronics and Information Technology.

How many of the above statements is/are correct?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

**64.** Consider the following statements regarding the Panama Canal:

1. It is an artificial waterway connecting the Atlantic and Pacific ocean cutting across the Isthmus of Panama.
2. It is owned and operated jointly by the USA and Republic of Panama.
3. Chagres River in central Panama is the largest river in the Panama Canal's watershed.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

**65.** With respect to Public Distribution System (PDS), consider the following statements:

1. The state governments collect the difference between the Minimum Support Price (MSP) and Central Issue Price (CIP) from the beneficiaries of the PDS System.
2. The central government sells the foodgrains to state governments at Central Issue Price (CIP).
3. The central government procures the foodgrains from farmers at Minimum Support Price (MSP).

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

66. With respect to steel production in India, consider the following statements:

1. India is the world's second-largest producer of crude steel.
2. Government of India has introduced Productivity Linked Incentive Scheme for the domestic production of specialty steel.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

67. A farmer decides to grow wheat instead of corn in his field. Which of the following best describes the opportunity cost of this decision?

- (a) The price of wheat in the market
- (b) The price of corn in the market
- (c) The difference in yield between wheat and corn
- (d) The potential benefits the farmer could have obtained from growing corn

68. With reference to the SVAMITVA Scheme, consider the following statements:

1. It is being implemented by the Ministry of Panchayati Raj and Survey of India.
2. It involves deployment of drone and geographic information systems technology.
3. It aims to ease the process of property tax assessment in the country.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

69. Which of the following terms most appropriately denotes the idea of bonds that have the provision of getting converted into an equity instrument?

- (a) Convertible Bonds

- (b) Debentures
- (c) Zero-Coupon Bonds
- (d) Commercial Papers

70. With reference to Special Economic Zones (SEZs) in India, consider the following statements:

1. The SEZ Rules provide for a uniform land requirement for all classes of SEZs.
2. Asia's first Export Processing Zone was set up in Kandla in 1965.
3. There is duty-free import of goods for the development and maintenance of SEZ units.
4. There is a 100% exemption on Income Tax on export income for the first 5 years.

Which of the statements given above are correct?

- (a) 1, 3, and 4 only
- (b) 2 and 3 only
- (c) 1 and 4 only
- (d) 2, 3, and 4 only

71. Consider the following factors:

1. Demand and Supply
2. International Price Trends
3. Minimum 50 percent margin over the cost of production
4. Inter-crop Price Parity

How many of the above factors are currently taken into account by the Government of India while determining the Minimum Support Price (MSP)?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

72. In the context of the Exchange Rate, consider the following statements:

1. A rising Real Effective Exchange Rate (REER) indicates that a country is losing its trade competitiveness.
2. A rising Nominal Effective Exchange Rate (NEER) indicates that a country's currency is appreciating

against a basket of currencies in a floating exchange rate regime.

Select the correct answer using the codes given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

73. Which of the following correctly explains the causes of divergence between CPI-based inflation and WPI-based inflation?

- 1. The Wholesale Price Index (WPI) excludes services, while the Consumer Price Index (CPI) includes services such as healthcare and education.
- 2. CPI assigns higher weightage to food items than WPI, leading to divergence when food prices fluctuate.
- 3. Fuel prices have a lower weightage in WPI as compared to CPI.

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2, and 3

74. With reference to India vis-a-vis International Monetary Fund (IMF), consider the following statements:

- 1. India is a founder member of the IMF.
- 2. India has not taken any financial assistance from the IMF since 1993.
- 3. India's Union Finance Minister is the ex-officio Governor on the Board of Governors of the IMF.

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

75. Which of the following statements most appropriately depicts the term "Acid Test Ratio"?

- (a) Economic health of a private entity to meet its short-term obligations

- (b) Economic health of a private entity to meet its long-term obligations
- (c) Volatility risk due to foreign currency exchange associated with a country to meet its short-term obligations
- (d) Volatility risk due to foreign currency exchange associated with a country to meet its long-term obligations

76. Consider the following statements regarding Norovirus infections:

- 1. Norovirus primarily infects individuals through vector-borne transmission from animals.
- 2. High-risk locations for Norovirus outbreaks include isolated rural areas with sparse populations.
- 3. Norovirus infections occur exclusively in cold climates.

How many of the above statements is/are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

77. What makes the Fishing Cat a significant species for wetland ecosystems?

- (a) It acts as an indicator species for wetland health.
- (b) It is the apex predator in all wetland ecosystems.
- (c) It exclusively feeds on aquatic plants.
- (d) It contributes to pollination in mangrove ecosystems.

78. What is the primary advantage of an Air Independent Propulsion (AIP) system for submarines?

- (a) Allows submarines to operate at higher speeds underwater
- (b) Reduces the need for conventional fuel in submarines
- (c) Improves surface visibility of submarines for better navigation
- (d) Enables submarines to operate underwater without surfacing for extended durations

79. Which of the following are roles of the Pay Commission in India?

1. Reviewing salary structures of central government employees.
2. Recommending pension revisions for retired employees.
3. Addressing wage disparities between central and state employees.
4. Proposing financial sustainability measures for salary revisions.

Select the correct answer:

- (a) 1, 2, and 4 only
- (b) 1, 3, and 4 only
- (c) 2, 3, and 4 only
- (d) All of the above

80. Bharathapuzha River originates from which of the following regions?

- (a) Nilgiri Hills
- (b) Western Ghats, near Agumbe
- (c) Anaimalai Hills
- (d) Palani Hills

81. Consider the following statements about India's performance in the QS World Future Skills Index 2025:

1. India ranked in the top 10 for overall preparedness.
2. India's weakest category was Future of Work.
3. The rankings focus exclusively on technical skills like AI and robotics.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

82. Consider the following statements.

1. Statement-I: The Harappan script is primarily undeciphered with no confirmed linguistic connections.
2. Statement-II: It appears only on seals depicting animal motifs like unicorns and bulls.

Select the correct answer code:

- (a) Both Statement-I and Statement-II are correct, and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct, and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct, but Statement-II is incorrect
- (d) Statement-I is incorrect, but Statement-II is correct

83. Which of the following features makes Umred-Pauni-Karhandla Wildlife Sanctuary ecologically significant?

- (a) Presence of unique alpine vegetation
- (b) Exclusive habitat for Gangetic river dolphins
- (c) It serves as a tiger corridor connecting Tadoba-Andhari Tiger Reserve
- (d) Largest wetland ecosystem in Maharashtra

84. Consider the following statements about the BHARATPOL Portal:

1. It facilitates coordination between state police departments in India.
2. It provides a centralized platform for INTERPOL-related operations.
3. It supports the issuance of color-coded notices like Blue Notices and Red Notices.
4. It enhances field-level officers' efficiency in handling international crimes.

How many of the above statements is/are correct?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

85. Consider the following statements about the features of the Organic Fisheries Cluster:

1. It incorporates advanced Biofloc technology for organic fish farming.
2. It is part of the Pradhan Mantri Matsya Sampada Yojana (PMMSY).

3. It encourages intensive aquaculture practices to maximize yields.  
How many of the above statements is/are correct?  
(a) Only one  
(b) Only two  
(c) All three  
(d) None
86. Which of the following best describes the alignment of the Konark Sun Temple with celestial events?  
(a) It is aligned with the Tropic of Cancer.  
(b) It is oriented to track the movements of Venus in the night sky.  
(c) It aligns with the position of the Moon during the equinox.  
(d) It is oriented to allow the first rays of the Sun to illuminate the sanctum.
87. What is the primary function of the National Internet Exchange of India (NIXI)?  
(a) To regulate internet access across India  
(b) To route domestic internet traffic within India, reducing latency  
(c) To enforce cybersecurity standards for public organizations  
(d) To promote rural broadband connectivity
88. What is the primary aim of Exercise La Perouse?  
(a) To promote interoperability and maritime security among navies in the Indo-Pacific  
(b) To conduct anti-piracy drills in the Gulf of Aden  
(c) To counter illegal fishing activities in the Indian Ocean  
(d) To develop multilateral naval strategies for Arctic exploration
89. Which of the following statements is correct about Mount Ibu, recently in the news?  
(a) It is one of the most active volcanoes in Indonesia, situated on Halmahera Island.  
(b) It is an active stratovolcano located on Sumatra Island, Indonesia.  
(c) It is a dormant volcanic site in the Philippines known for its historical eruptions.  
(d) It is a volcanic site in Papua New Guinea, part of the Pacific Ring of Fire.
90. Consider the following statements about the New Development Bank (NDB):  
1. It was established by BRICS to fund sustainable development projects in member countries only.  
2. It provides loans in local currencies to reduce dependency on major global currencies like the US dollar.  
3. The NDB has its headquarters in New Delhi, India.  
How many of the above statements are correct?  
(a) Only one  
(b) Only two  
(c) All three  
(d) None
91. Consider the following statements about types of whips issued by political parties:  
1. A one-line whip requires members to remain present but allows them to abstain from voting.  
2. A two-line whip directs members to vote in favour of the party's stance without exception.  
3. A three-line whip mandates both presence and voting in alignment with party instructions.  
Whips are legally enforceable in all parliamentary democracies.  
Which of the above statements are correct?  
(a) 1, 2, and 3 only  
(b) 3 and 4 only  
(c) 2 and 4 only  
(d) 1 and 3 only



92. Which of the following is a key objective of the National Education Policy (NEP) 2020?

- (a) Centralizing the governance of all universities under the UGC.
- (b) Promoting multilingual education at the primary level.
- (c) Making PhD qualifications mandatory for all academic positions.
- (d) Granting governors complete autonomy over university governance.

93. Consider the following statements about the suppression of the Kuka Rebellion:

- 1. Satguru Ram Singh was executed by the British as part of their crackdown.
- 2. The British used advanced artillery to destroy Namdhari strongholds.
- 3. The rebellion ended with a peace treaty between the Kukas and the British.

How many of the above statements is/are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

94. Which of the following are objectives of the PM-Ayushman Bharat Health Infrastructure Mission?

- 1. Establishment of Health and Wellness Centres in rural and urban areas
- 2. Construction of Integrated Public Health Labs in all districts
- 3. Creation of mobile hospitals for disaster response
- 4. Reduction of healthcare costs for economically weaker sections

Select the correct answer code:

- (a) 1, 2, and 3 only
- (b) 2 and 4 only
- (c) 1, 3, and 4 only
- (d) All four

95. Which of the following best describes the "When-Listed" platform introduced by SEBI?

- (a) A platform allowing the trading of unlisted shares after official listing
- (b) A secondary market for shares already listed on stock exchanges
- (c) A regulated platform for trading IPO-allotted shares before official listing
- (d) A grey market mechanism for pre-listing share trading Correct

96. Consider the following statements regarding SEBI's regulatory mechanism:

- 1. SEBI regulates both primary and secondary markets in India.
- 2. SEBI allows T+5 settlement cycles for IPO-listed shares.
- 3. The grey market operates under SEBI's supervision and follows formal regulations.

How many of the above statements is/are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

97. Consider the following statements regarding WHO's new guidelines on table salt:

- 1. WHO recommends using higher sodium salt substitutes to improve taste and health outcomes
- 2. The guidelines apply universally, including pregnant women and children.
- 3. The main goal is to reduce sodium intake to lower cardiovascular risks.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

98. Consider the following statements regarding ISRO's future launch vehicle developments:

- 1. The Next-Generation Launch Vehicle (NGLV) is planned to replace both PSLV and GSLV for future missions.

2. The Unified Launch Vehicle (ULV) is being designed as a modular system to accommodate different payloads.
3. ISRO has a fully developed reusable orbital launch system similar to SpaceX's Starship.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

99. The primary aim of the Cauvery-South Vellar Link Project is:

- (a) To generate hydroelectric power for Tamil Nadu.
- (b) To regulate water sharing between Tamil Nadu and Karnataka.
- (c) To divert surplus floodwater for irrigation and water conservation.
- (d) To establish water transport channels across Tamil Nadu.

100. Which of the following are tributaries of the Cauvery River?

1. Arkavathi River
2. Kabini River
3. Bhima River
4. Hemavathi River

Select the correct answer:

- (a) 1, 2, and 4 only
- (b) 2, 3, and 4 only
- (c) 1, 3, and 4 only
- (d) All of the above