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**(1) Monetary Policy and Inflation**

1. Which of the following is a Quantitative Tool of Monetary Policy of RBI?

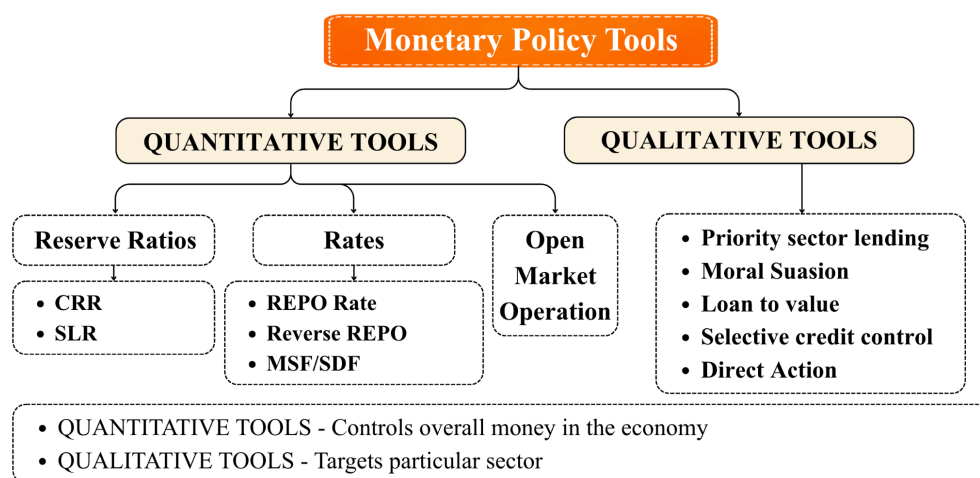
- (A) Statutory Liquidity Ratio (SLR)
- (B) Standing Deposit Facility (SDF)
- (C) Loan to Value Ratio (LTV)
- (D) Marginal Standing Facility (MSF)

Options:

- (1) (A), (B), and (C) only
- (2) (A), (B), and (D) only
- (3) (A), (C), and (D) only
- (4) All of the above
- (5) Question not attempted

Answer :- (2)

Explanation :-



2. Consider the following statements regarding **Cash Reserve Ratio (CRR)** and **Statutory Liquidity Ratio (SLR)**:

- (A) Banks are required to maintain CRR in the form of **cash with the Reserve Bank of India**.
- (B) Banks can maintain SLR in the form of **cash, gold and approved securities such as Government Securities**.
- (C) Banks earn **interest on the CRR**, whereas no interest is earned on SLR.

Which of the statements given above is/are incorrect?

- (1) A only
- (2) B only
- (3) C only
- (4) A and C only
- (5) Question not attempted

Answer: (3) C only

Explanation:

Options	Explanation
A ✓	Banks are required to maintain CRR in the form of cash with the Reserve Bank of India
B ✓	Banks can maintain SLR in the form of cash, gold and approved securities such as Government Securities
C ✗	Banks receive no Interest on CRR , whereas banks can receive Interest on G-Sec held under SLR

Extra Information

- ❖ CRR is regulated under RBI ACT 1934, whereas SLR is regulated under banking Regulation Act, 1949
- ❖ Banks are subject to penalties if they fail to maintain the required CRR or SLR
- ❖ No Legal Limit on CRR
- ❖ Legal limit of 40% on SLR

3. Consider the following statements regarding the **Cash Reserve Ratio (CRR) trend in India**:

- (A) During 2025, the CRR was reduced by a total of **100 basis points**, from 4% to 3%.
- (B) Historically, the CRR has never crossed the **10% level**
- (C) During 2025, the CRR declined **continuously from 4% to 3%**, without any increase in between

Which of the statements given above is/are correct?

- (1) A only
- (2) A and B only
- (3) B and C only
- (4) All statements are correct
- (5) Question not attempted

Answer: (1) A only



(2) Banking and Share Market

1. Choose the correct chronology of various events/origins related to financial intermediaries in India:

- (A) Nationalization of State Bank of India
- (B) Establishment of General Insurance Company
- (C) Establishment of Life Insurance Corporation
- (D) Nationalization of Reserve Bank of India
- (E) Nationalization of 14 Banks in India

Options:

- (1) (A) > (D) > (C) > (B) > (E)
- (2) (A) > (D) > (C) > (E) > (B)
- (3) (D) > (A) > (C) > (B) > (E)
- (4) (D) > (A) > (C) > (E) > (B)
- (5) Question not attempted

Answer : (4)

Explanation

Institution	Year
Punjab National Bank	1894
Bank of Baroda	1908
Nationalization of Reserve Bank of India (RBI)	1949
Nationalization of State Bank of India (SBI) - The Imperial Bank of India was nationalised and converted into the State Bank of India	1955
Establishment of Life Insurance Corporation (LIC) - 243 private and foreign insurance companies were merged to form the Life Insurance Corporation of India	1956
Nationalization of 14 major banks - July 19, 1969, govt nationalized banks with deposits of more than 50 crores	1969
Establishment of General Insurance Corporation (GIC) - More than 100 private general insurance companies were merged under the general insurance framework	1972
Nationalization of 6 major banks - April 15, 1980, the Government of India nationalized	1980

6 additional private sector banks with deposits exceeding ₹200 crores

2. Arrange the following developments in the Indian financial sector in their correct chronological order:
- (A) Establishment of Life Insurance Corporation of India (LIC)
 - (B) Nationalisation of six additional private sector banks
 - (C) Establishment of Punjab National Bank (PNB)
 - (D) Establishment of State Bank of India (SBI)
 - (E) Establishment of General Insurance Corporation of India (GIC)

Select the correct answer using the code given below:

- (1) C → D → A → E → B
- (2) C → A → D → B → E
- (3) D → C → A → E → B
- (4) C → D → E → A → B
- (5) Question not attempted

Answer: (1)

Explanation:

❖ **The correct chronology is:** PNB (1894) → SBI (1955) → LIC (1956) → GIC (1972) → Nationalisation of 6 Banks (1980)

3. If the following developments are arranged in chronological order, which one would occupy the third position?
- (1) Establishment of SEBI
 - (2) Enactment of the SARFAESI Act
 - (3) Establishment of EXIM Bank
 - (4) Launch of UPI
 - (5) Question not attempted

Answer: (2)

Explanation:

**(3) Fiscal Policy and Public Finance**

1. The budget practice of OUTLAY OUTPUT OUTCOME FRAMEWORK for schemes started in:

- (1) Budget 2019-20
- (2) Budget 2018-19
- (3) Budget 2016-17
- (4) Budget 2017-18
- (5) Question not attempted

Answer : (4)

Explanation :

Major Budget Events	Year
❖ First Indian budget by James Wilson	7 April 1860
❖ Railway budget separated from general budget (Acworth Committee)	1924
❖ First budget of Independent india by R K Shanmukham Chetty	26 Nov 1947
❖ Gender budgeting, Outcome budget	2005-06
❖ Plan and non plan expenditure abolished ❖ Output Outlay Outcome Framework ❖ Railway budget merged with general budget	2017-18
❖ Traditional Budget Briefcase replaced by Bahi-Khata	2019-20
❖ First fully paperless budget	2021-22

2. Arrange the following developments related to the evolution of the Union Budget in India in the correct chronological order:

- (A) Introduction of Gender Budgeting and Outcome Budget
- (B) Railway Budget separated from the General Budget
- (C) Traditional Budget Briefcase replaced by Bahi-Khata
- (D) First Budget of Independent India presented by R. K. Shanmukham Chetty
- (E) Railway Budget merged with the General Budget and Plan–Non-Plan classification

abolished

Select the correct answer using the code given below:

- (1) B → D → A → E → C
- (2) D → B → A → C → E
- (3) B → A → D → E → C
- (4) D → B → E → A → C
- (5) Question not attempted

Answer: (1)

Explanation: See explanation of Que No 2 (Above)

3. Find the correct Statement(s):

- (A) The Dept of Revenue is responsible for the preparation of Union Budget
- (B) No amount can be withdrawn from the Consolidated Fund of India without authorization from Parliament of India
- (C) All the disbursements made from Public Account also need the authorization from Parliament

Options:

- (1) Only (A) and (B)
- (2) Only (B) and (C)
- (3) Only (B)
- (4) All of the above
- (5) Question Not Attempted

Answer :(3)

Explanation

Options	Explanation
A ✗	Department of Economic Affairs is responsible for the preparation of Union Budget
B ✓	No amount can be withdrawn from the Consolidated Fund of India without authorization from Parliament of India
C ✗	Indian Public Account can be operated by executive action (no authorization needed from Parliament)



(4) Budget 2026-27

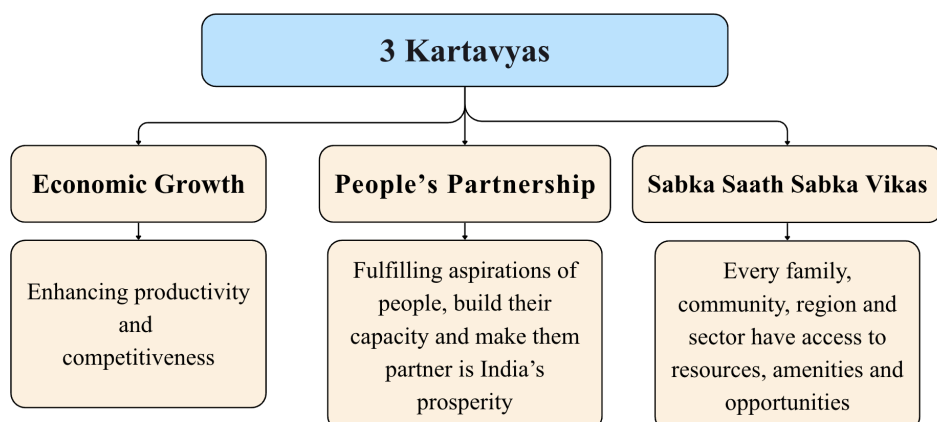
1. Which of the following is not a Kritvya mentioned in the Budget 2026-27?

- (1) Accelerating and sustaining economic growth
- (2) Fulfilling the aspirations of people
- (3) Sabka Saath Sabka vikas
- (4) Special focus on Yuva Shakti
- (5) Question not attempted

Answer : (4)

Explanation:

- ❖ Theme - Yuva Shakti–driven budget for Viksit Bharat
- ❖ 3 Kartavya's



2. Arrange the following tax revenue receipts of the union government in decreasing order (As per budget Estimate 2026-27) :

- (A) GST
- (B) Income tax
- (C) Excise duty
- (D) Corporation tax
- (E) Custom duty

Options:

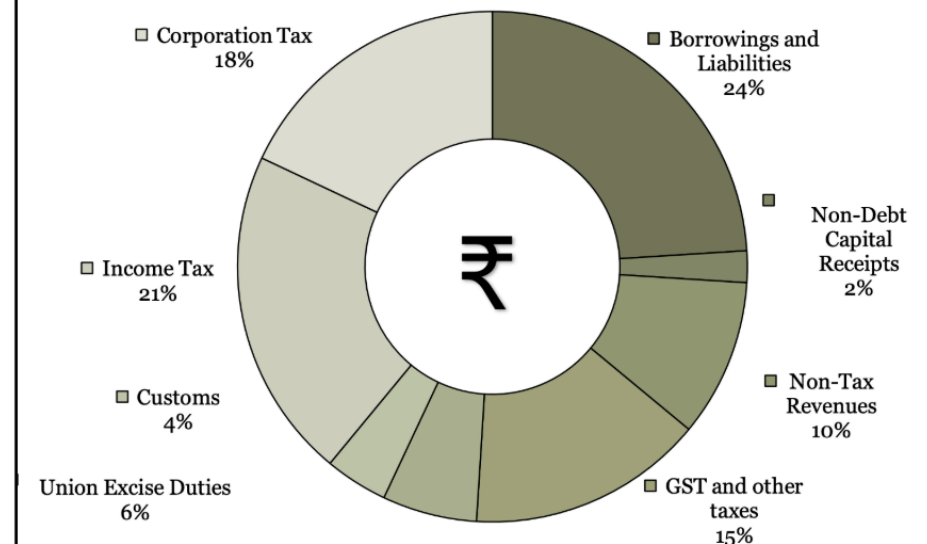
- (1) $A > B > D > C > E$
- (2) $A > D > B > C > E$
- (3) $B > D > A > C > E$
- (4) $B > A > D > E > C$
- (5) Question not attempted

Answer : (3)

Explanation :

Revenue Receipts in decreasing order

- ❖ Borrowing > Income tax > Corporation tax > GST > Excise duty > Custom > non debt capital receipt

Rupee Comes From

3. Consider the following statements regarding Budget Estimates 2026–27:

- (A) The Fiscal Deficit is estimated at 1.5% of GDP, while the Revenue Deficit is estimated at 4.3% of GDP.
- (B) Effective Capital Expenditure is estimated at ₹12.2 lakh crore, while Capital Expenditure is estimated at ₹17.1 lakh crore.

Which of the statements given above is/are correct?

- (1) (A) only
- (2) (B) only
- (3) Both (A) and (B)
- (4) Neither (A) nor (B)
- (5) Question not attempted

Answer: (4)

Explanation:

Options	Explanation
A X	❖ Fiscal Deficit → 4.3% of GDP ❖ Revenue Deficit → 1.5% of GDP
B X	❖ Effective Capital Expenditure = Capital Expenditure + Grant-in-Aid for capital creation. It is estimated at ₹17.1 lakh crore, equivalent to 4.4% of GDP ❖ Capital Expenditure alone is estimated at ₹12.2 lakh crore (3.1% of GDP).

Extra Information

- ❖ Primary Deficit is 0.7% of GDP



(5) Taxation and GST

1. Consider the following statements regarding tax incidence and elasticity:

- (A) If demand is relatively more inelastic than supply, consumers are likely to bear a larger share of the tax burden.
- (B) Shifting the tax burden from producers to consumers through higher prices is known as backward shifting.
- (C) If supply is relatively more inelastic than demand, producers are likely to bear a larger share of the tax burden.
- (D) When producers themselves bear a larger share of the tax burden, it is referred to as forward shifting.

Which of the statements given above are correct?

- (1) (B) and (D) only
- (2) (A), (B) and (C) only
- (3) (A) and (C) only
- (4) (A), (C) and (D) only
- (5) Question not attempted

Answer: (3)

Explanation:

Options	Explanation
A ✓	☐ When demand is more inelastic than supply , consumers are less responsive to an increase in price. Hence, a greater share of the tax burden can be passed on to them.
B ✗	☐ Passing the tax burden forward to consumers through higher prices is called Forward Shifting , not backward shifting.
C ✓	☐ When supply is more inelastic than demand , producers have less ability to adjust and therefore bear a relatively larger share of the tax.
D ✗	☐ When the tax burden falls relatively more on the producer side , it is termed Backward Shifting .
Key rule: The relatively more inelastic side of the	

market bears the greater share of the tax burden

2. Choose the correct option regarding GST -

- (A) Incident and impact of the tax is on same person
- (B) Incident and impact of the tax is on different person
- (C) GST is a regressive tax
- (D) GST is a progressive tax

Code :

- (1) Only (A)
- (2) Only (C)
- (3) Only (A) and (D)
- (4) Only (B) and (C)
- (5) Question not attempted

Answer : (4)

Explanation:

Options	Explanation
A ✗ B ✓	❖ GST is an indirect tax, hence, Tax incidence and Tax impact is on different person
C ✓ D ✗	❖ Governed by CBIC (Central Board of Indirect Taxes and Customs , Dept of Revenue)It is a Regressive tax (Ex - GST is a regressive tax).

3. Which of the following is a direct tax?

- (A) Corporation Tax
- (B) Securities Transaction Tax (STT)
- (C) Capital Gains Tax (CGT)
- (D) Service Tax

Options:

- (1) A and B only
- (2) A, B and C only
- (3) A, C and D only
- (4) All of the above
- (5) Question not attempted

**(6) GDP and National Income**

1. Consider the following statements regarding the methods of calculating GDP:

- (A) Under the Expenditure Method, GDP is calculated as $C + I + G + M - X$.
- (B) Under the Income Method, wages, interest, profits and rent are components of factor income used in estimating GDP.
- (C) Under the Production Method, GDP is obtained by subtracting net taxes on products from GVA.

Which of the statements given above is/are correct?

- (1) A only
- (2) B only
- (3) A and C only
- (4) A, B and C
- (5) Question not attempted

Answer: (2) B only

Explanation:

Options	Explanation
A ✗	In the Expenditure Method, exports are added because they represent domestic production sold abroad, while imports are subtracted because they are produced outside the country. ❖ Therefore, $GDP = C + I + G + X - M$.
B ✓	The Income Method adds the incomes earned by factors of production - wages for labour, interest for capital, rent for land and profits for entrepreneurs.
C ✗	Under the Production Method, net taxes on products are added to GVA to obtain GDP at market prices. Therefore, ❖ $GDP = GVA + \text{Net Taxes on Products}$ ❖ $GDP = GVA + \text{Tax} - \text{subsidies}$

2. Which of the following represents the correct decreasing order of contribution to India's GDP under the Expenditure Method?

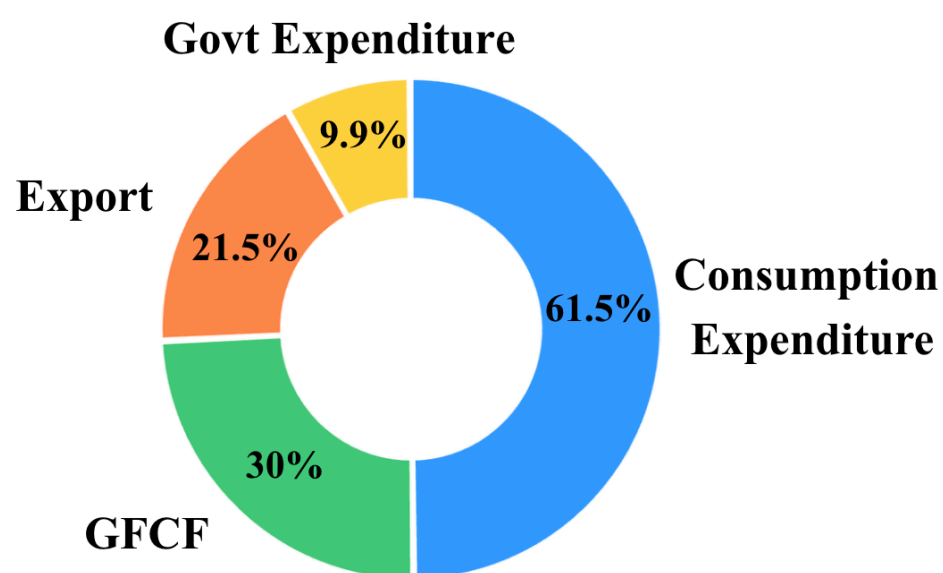
- (1) Private Final Consumption Expenditure > Gross Fixed Capital Formation > Exports > Government Final Consumption Expenditure
- (2) Gross Fixed Capital Formation > Private Final Consumption Expenditure > Government Final Consumption Expenditure > Exports
- (3) Private Final Consumption Expenditure > Exports > Gross Fixed Capital Formation > Government Final Consumption Expenditure
- (4) Gross Fixed Capital Formation > Exports > Private Final Consumption Expenditure > Government Final Consumption Expenditure
- (5) Question not attempted

Answer: (1)

Explanation:

In India's GDP, largest contribution is -

- ❖ Private Final Consumption Expenditure (61.5%) > Gross Fixed Capital Formation (30%) > Exports (21.5%) > Government Final Consumption Expenditure (9.9%)



3. Which of the following correctly represents the relationship among GVA at Factor Cost (FC), Basic Price (BP), Market Price (MP), and taxes ?

- (1) $GVA \text{ at FC} + \text{Net Product Taxes} = GVA \text{ at BP}$;
 $GVA \text{ at BP} + \text{Net Production Taxes} = GVA \text{ at MP}$
- (2) $GVA \text{ at FC} + \text{Net Production Taxes} = GVA \text{ at BP}$;

**(7) Planning, Economic Reforms and Liberalization**

1. Match List I with List II and choose the correct answer regarding important events in the history of Indian planning:

List I**List II**

- | | |
|---------------------------------|-----------------------------|
| A. The planned economy of India | i. M.N. Roy |
| B. Sarvodaya Plan | ii. Jayprakash Narayan |
| C. People's Plan | iii. Sriman Narayan Agrawal |
| D. Gandhian plan | iv. M. Visvesvaraya |

Options:

- (1) A - (ii), B - (iv), C - (i), D - (iii)
 (2) A - (iv), B - (i), C - (ii), D - (iii)
 (3) A - (iv), B - (ii), C - (i), D - (iii)
 (4) A - (iv), B - (ii), C - (iii), D - (i)
 (5) Question not attempted

Answer : (3)**Explanation -**

Initiatives	Personalities	Year
The planned economy of India	M. Visvesvaraya	1934
Planning Committee	Jawaharlal Nehru	1938
Bombay Plan for investment	Big Industrialists including J.R.D. Tata and G.D. Birla	1944
Gandhian plan	Sriman Narayan Agrawal	1944
People's Plan	MN Roy	1945
Sarvodaya Plan	Jayprakash Narayan	1950

2. Match the following plans/initiatives with their associated person and year, and choose the correct answer:

List I (Plan / Initiative)	List II (Associated Person)	List III (Year)
A. The Planned Economy of India	i. M. N. Roy	P. 1945
B. Planning Committee	ii. Jayprakash Narayan	Q. 1934
C. People's Plan	iii. M. Visvesvaraya	R. 1938
D. Sarvodaya Plan	iv. Jawaharlal Nehru	S. 1950

Options:

- (1) A-(iii)-(Q), B-(iv)-(R), C-(ii)-(P), D-(i)-(S)
 (2) A-(iv)-(Q), B-(iii)-(R), C-(i)-(S), D-(ii)-(P)
 (3) A-(iii)-(R), B-(iv)-(Q), C-(i)-(P), D-(ii)-(S)
 (4) A-(iii)-(Q), B-(iv)-(R), C-(i)-(P), D-(ii)-(S)
 (5) Question not attempted

Answer: (4)**Explanation: See Explanation of Above Question**

3. Match List-I with List-II:

List-I (Five-Year Plan)	List-II (Major Development/Institution)
A. First Five-Year Plan	I. Nationalisation of 14 major banks
B. Second Five-Year Plan	II. FCI, HAL and Hindustan Zinc Limited
C. Third Five-Year Plan	III. Bhakra Nangal, Hirakud and Damodar Valley Projects
D. Fourth Five-Year Plan	IV. Bhilai, Durgapur and Rourkela Steel Plants

Select the correct answer using the code given below:

**(8) Balance of Payment, Trade, Foreign Aid and Investment**

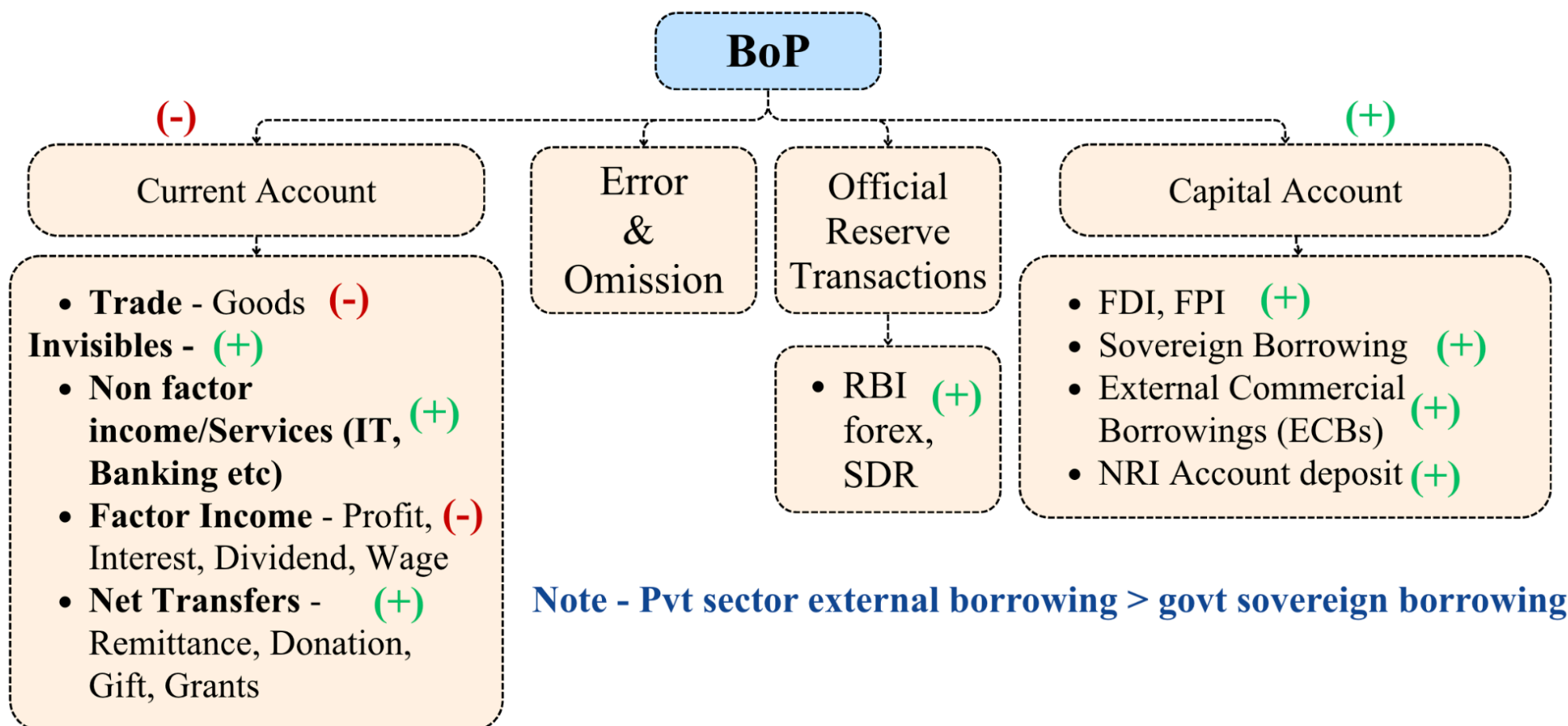
1. Which of the following is not a part of the capital account of the balance of payment:

- (1) Remittance
- (2) External commercial borrowings
- (3) NRI Account deposit
- (4) Foreign Portfolio investments

(5) Question not attempted

Answer : (1)

Explanation - Remittances are part of the Current Account.



2. Choose the correct answer with respect to various aspects of India's balance of payment:

- (A) India's trade balance is currently negative
- (B) India's Current account balance is currently negative
- (C) India's capital account balance is currently positive

Options:

- (1) (A) and (B) Only
- (2) (B) and (C) Only
- (3) (A) and (C) Only
- (4) All of the above
- (5) Question not attempted

Answer : (4)

Explanation

Options	Explanation
A ✓	Trade balance = Export of goods - Import of goods. As imports are more than exports,

	Trade balance is negative for India.
B ✓	Current Account Balance = Trade balance + net Invisibles (Non Factor Income + Factor Income + Net current transfers). Since India has a large Trade deficit due to high imports, Current Account balance is negative for India, as net invisibles can't compensate for this.
C ✓	Capital Account records all international transactions of assets. An asset is any one of the forms in which wealth can be held, for example: Loan, stocks, bonds, Government debt, etc. Since India receives large amount of FDI, Sovereign borrowing and NRI Deposits, Capital account is positive

**(9) Agriculture, Allied Sector and Food Processing**

1. Choose the correct statement/s regarding the Agriculture sector in India:
- (A) Agriculture sector witnessed an average annual growth rate of 4.4% at constant prices over the last five years
 - (B) Horticulture sector accounts for approximately 33% of agricultural GVA
 - (C) Madhya Pradesh (MP) is the top producers of total pulses

Options:

- (1) (A) and (B) Only
- (2) (B) and (C) Only
- (3) (A) and (C) Only
- (4) All are correct
- (5) Question not attempted

Answer : (4)**Explanation**

As per the Economic Survey 2025 -

- ❖ Agriculture sector witnessed an average annual growth rate of 4.4% at constant prices over the last five years
- ❖ Horticulture sector accounts for approximately 33% of agricultural GVA
- ❖ Madhya Pradesh (MP) is the top producers of total pulses

2. Consider the following statements regarding Agriculture and Horticulture in India:
- (A) India's foodgrain production during the agricultural year 2024–25 was approximately 3,577.3 Lakh Metric Tonnes (LMT).
 - (B) The horticulture sector contributes approximately 25% of India's Agricultural GVA.
 - (C) India's horticulture production during 2024–25 was approximately 362.08 million tonnes (MT).

How many of the statements given above are correct?

- (1) Only one
- (2) Only two

- (3) All three
- (4) None
- (5) Question not attempted

Answer: (2) Only two

Explanation:

Important Data and Key Facts	Details
Agriculture and Allied activities contribution in National Income	Approx 20% [1/5th]
Agriculture and allied activities Contribution in country's workforce	Approx 46.1%
The average annual growth rate in the Agriculture and allied sector [Last 5 year]	4.40%
India's foodgrain production [Agri year 2024-25]	3,577.3 lakh metric tonnes (LMT)
Contribution of horticulture sector in Agri GVA	Approx 33% [1/3rd]
Horticulture production [2024-25]	362.08 Million Ton
Food processing industry's contribution in employment	12.91% of total organised manufacturing employment
India's agriculture exports [FY25]	USD 51.1 billion [11.7% of total merchandise export]
Number of Small and Marginal farmers [NSO Survey]	89.40%
Average size of operational land holdings [Agri census 2015-16]	India - 1.08 H Raj. - 2.73H
According to a recent NABARD survey, Avg land holding is 0.74 hectares (Declining)	



(10) Industry & MSME

1. Consider the following statements regarding the **Competitive Industrial Performance (CIP) Index**:

- (A) The CIP Index is released by the **United Nations Industrial Development Organization (UNIDO)**.
(B) India was ranked **37th in the CIP Index 2023**.

Which of the statements given above is/are correct?

- (1) A only
(2) B only
(3) Both A and B
(4) Neither A nor B
(5) Question not attempted

Answer: (3) Both A and B

Explanation:

Options	Explanation
A ✓	The CIP Index is released by the United Nations Industrial Development Organization (UNIDO).
B ✓	India was ranked 37th in the CIP Index 2023

2. Consider the following statements regarding the **Business Expectations Index**:

- (A) The Business Expectations Index is published quarterly by the Reserve Bank of India.
(B) A score above 100 indicates contraction in business activity, while a score below 100 indicates expansion.

Which of the statements given above is/are incorrect ?

- (1) (A) only
(2) (B) only
(3) Both (A) and (B)
(4) Neither (A) nor (B)
(5) Question not attempted

Answer: (2)

Options	Explanation
A ✓	The Business Expectations Index is published quarterly by the Reserve Bank of India (RBI).
B ✗	❖ A score above 100 indicates expansion/growth in business activity. ❖ A score below 100 indicates contraction in business activity

3. The “Four Balance Sheet Problems” in the Indian economy do NOT include which of the following?

- (1) Real Estate Sector
(2) Infrastructure Companies
(3) NBFCs
(4) Agriculture Sector
(5) Question not attempted

Answer: (4) Agriculture Sector

Explanation:

❖ **Four balance sheet problems** → Banks + Infra companies + NBFC companies + Real estate companies.

4. According to the Economic Survey 2025–26, consider the following statements regarding India’s industrial and mineral sectors:

- (A) India is the second-largest producer of cement in the world, after China.
(B) India is the second-largest producer of crude steel in the world, after China.
(C) India has the fifth-largest coal reserves in the world.
(D) India is the second-largest consumer of coal in the world.

How many of the statements given above are correct?

- (1) Only one
(2) Only two
(3) Only three
(4) All four

**(11) Infrastructure and Investment**

1. Consider the following statements regarding the Civil Aviation Sector in India:

- (A) India has emerged as the world's third-largest domestic aviation market.
- (B) Women constitute around 15% of the pilots in India.
- (C) India currently operates approximately 0.11 airports per million people.

Which of the statements given above are correct?

- (1) A and B only
- (2) B and C only
- (3) A and C only
- (4) All of the above are correct
- (5) Question not attempted

Answer: (4) A, B and C

Explanation:

Key Information about the Civil Aviation Sector in India:

- ❖ India has emerged as the world's third-largest domestic aviation market
- ❖ Women constitute 15% of the country's pilots
- ❖ The number of airports increased from 74 in 2014 to 164 in 2025
- ❖ India currently operates ~0.11 airports per million people (US → 47.35)

2. Consider the following statements regarding the Road Network in India:

- (A) National Highways constitute around 40% of India's total road network.
- (B) The longest arm of the Golden Quadrilateral is the Kolkata-Chennai stretch.

Which of the statements given above are correct?

- (1) A only
- (2) B only
- (3) Both are correct
- (4) None of the above
- (5) Question not attempted

Answer: (2) B only

Explanation:

Options	Explanation
A ✗	National highways consist of 2% of the total road network but hold 40% of traffic.
B ✓	The longest arm of the Golden Quadrilateral is the Kolkata-Chennai stretch.

Extra Information

Road Network in India:

- ❖ India has the second-largest road network in the world [First → USA]
- ❖ For FY26, 10,000 km of construction is targeted
- ❖ Golden Quadrilateral Highway - Connect 4 major cities - Delhi, Kolkata, Chennai and Mumbai. The longest arm is Kolkata to Chennai

3. Consider the following statements regarding the North-South and East-West Corridors:

- (A) The North-South Corridor is longer than the East-West Corridor.
- (B) The North-South and East-West Corridors intersect at Jhansi.
- (C) The North-South Corridor is primarily aligned along NH-27.
- (D) The East-West Corridor is primarily aligned along NH-44.

How many of the statements given above are correct?

- (1) Only one
- (2) Only two
- (3) Only three
- (4) All four
- (5) Question not attempted

Answer: (2) Only two - A and B

Explanation:



(12) Service Sector and E-commerce

1. Choose the correct statement regarding FDI norms in e-commerce in India:

- (A) FDI is not allowed in Inventory-based model of e-commerce
(B) 100% FDI is allowed in Marketplace model of e-commerce

Options:

- (1) A only
(2) B only
(3) Both are correct
(4) None of these
(5) Question not attempted

Answer : (3)

Explanation

Options	Explanation
A ✓	FDI is not allowed in Inventory-based model of e-commerce ❖ Example - Lenskart, Connect Civils etc
B ✓	100% FDI is allowed in Marketplace model of e-commerce ❖ Example - Amazon, Flipkart, Swiggy etc

2. Consider the following statements regarding the Purchasing Managers' Index (PMI):

- (A) PMI ranges from 0 to 100, and a score above 50 indicates expansion in the sector.
(B) In India, the monthly PMI is reported by the Reserve Bank of India.

Which of the statements given above is/are correct?

- (1) (A) only
(2) (B) only
(3) Both (A) and (B)
(4) Neither (A) nor (B)
(5) Question not attempted

Answer: (1)

Explanation:

Options	Explanation
A ✓	❖ PMI ranges from 0 to 100. ❖ A PMI reading above 50 indicates expansion , while a reading below 50 indicates contraction.
B ✗	The monthly Purchasing Managers' Index (PMI) in India is compiled and published by S&P Global and sponsored/released in partnership with HSBC.

3. Digital Bharat Nidhi (DBN) is related to -

- (1) Financing digital payments infrastructure in rural areas
(2) Providing financial assistance to technology startups
(3) Expanding telecommunication services in underserved areas
(4) Financing the semiconductor manufacturing industry
(5) Question not attempted

Answer: (3) Expanding telecommunication services and connectivity in underserved and remote areas

Digital Bharat Nidhi (DBN):

- ❖ Digital Bharat Nidhi (DBN) is an initiative under the **Department of Telecommunications.**
❖ It aims to expand **affordable telecom and internet connectivity in rural, remote and underserved areas**, and replaced the earlier **Universal Service Obligation Fund (USOF).**

4. Consider the following statements regarding **DHRUVA Digital Public Infrastructure and DIGIPIN:**

- (A) DHRUVA is an initiative of the **Department of Posts, Ministry of Communications.**
(B) Under DHRUVA, **DIGIPIN is a 10-character alphanumeric code** representing a precise geographical location.

**(13) Poverty and Unemployment**

1. Poverty, Prosperity, and Planet Report is published by -
- (1) Food and Agriculture Organization (FAO)
 - (2) United Nations Environment Programme (UNEP)
 - (3) World Bank
 - (4) World Economic Forum (WEF)
 - (5) Question not attempted

Answer: (3) World Bank

Explanation:

- ❖ The Poverty, Prosperity, and Planet Report is published **by the World Bank**.
- ❖ Theme - **PATHWAYS OUT OF THE POLYCRISIS**
- ❖ It assesses global progress on ending extreme poverty, promoting shared prosperity, and achieving development on a livable planet.

2. The actual estimation and determination of the official poverty line in India is done by -
- (1) Ministry of social justice and empowerment
 - (2) Reserve Bank of India (RBI)
 - (3) NITI Aayog
 - (4) National Statistical Office (NSO)
 - (5) Question not attempted

Answer: (3) NITI Aayog

Explanation:

- ❖ The actual estimation and determination of the official poverty line are calculated by the **NITI Aayog**.
- ❖ The **NSO/NSSO provides household consumption data**, which is used for poverty estimation.

3. Poverty and Shared Prosperity report is launched by:
- (1) World Bank
 - (2) IMF
 - (3) UNDP
 - (4) WEF
 - (5) Question not attempted

Answer : (1)

World Bank Reports -

- ❖ Poverty and shared prosperity
- ❖ World Development Report
- ❖ Ease of doing business Index
- ❖ Remittance & Migration Report
- ❖ Global Economic Prospects report

4. World Economic Outlook report is launched by:

- (1) World Bank
- (2) IMF
- (3) UNDP
- (4) WEF
- (5) Question not attempted

Answer : (2)

Explanation :

IMF Reports -

- ❖ Global Financial Stability Report
- ❖ World Economic Outlook

5. Choose the correct statement regarding World Bank's International Poverty Line (IPL):
- (A) World Bank raised the poverty line from 2.15 \$ to 3.00 \$ a day
 - (B) According to new IPL, approx 23.9% of Indian live in extreme poverty

Options:

- (1) Only (A)
- (2) Only (B)
- (3) Both are correct
- (4) Both are incorrect
- (5) Question not attempted

Answer : (1)

Explanation

Options	Explanation
A ✓	❖ World Bank raised the poverty line from 2.15 \$ to 3.00 \$ a day to measure extreme poverty ➤ According to new IPL, approx 5.3% of Indian live in extreme poverty
B ✗	❖ According to new IPL, approx 23.9% of



(14) Education and Health

1. Consider the following statements regarding Education in India:

- (A) Learning Poverty refers to being unable to read and understand a simple text by the age of 10 years.
- (B) According to World Bank data, around 55% of children in India suffer from learning poverty.
- (C) In India, the Gross Enrolment Ratio (GER) of females is higher than that of males at major school-education levels.

Which of the statements given above are correct?

- (1) A and B only
- (2) B and C only
- (3) A and C only
- (4) A, B and C
- (5) Question not attempted

Answer: (4) A, B and C

Explanation:

Options	Explanation
A ✓	❖ Learning Poverty means being unable to read and understand a simple text by the age of 10 years (World Bank)
B ✓	❖ According to World bank, 55% children suffer from learning poverty in India
C ✓	❖ In India, the Gross Enrolment Ratio (GER) of females is higher than that of males at major school-education levels.
❖ Gross Enrolment Ratio is the number of students enrolled in a particular stage of education, regardless of age, expressed as a percentage of the population in the corresponding age group ➤ For example, GER at higher education level, is the ratio of people enrolled in higher education to the population in the age group of 18-23	

2. Consider the following statements regarding the National Education Policy (NEP) 2020:

- (A) It aims to achieve 100% Gross Enrolment Ratio (GER) in school education by 2030.
- (B) It aims to raise the Gross Enrolment Ratio (GER) in higher education to 50% by 2030.
- (C) It envisages bringing 2 crore out-of-school children back into the mainstream through an open schooling system.
- (D) It aims to increase public investment in the education sector to 6% of GDP.

Which of the statements given above are correct?

- (1) A and B only
- (2) B, C and D only
- (3) A, C and D only
- (4) A, B, C and D
- (5) Question not attempted

Answer: (3) A, C and D only

Explanation:

Options	Explanation
A ✓	❖ National Education Policy (NEP) 2020 aims to achieve 100% Gross Enrolment Ratio (GER) in school education by 2030
B ✗	❖ Gross Enrolment Ratio in higher education to be raised to 50% by 2035
C ✓	❖ To bring 2 crore out of school children back into the mainstream through an open schooling system
D ✓	❖ To Increase the public investment in the Education sector to reach 6% of GDP (Currently 4.4% of GDP)
❖ The policy emphasises Early Childhood Care and Education (ECCE), Foundational literacy and numeracy (FLN), reducing dropouts, ensuring universal access, revamping curriculum and pedagogy, strengthening teacher capacity, promoting equity, and improving quality	



(15) Provisions for Weaker Sections

1. Consider the following statements regarding the Sukanya Samriddhi Yojana (SSY):

- (A) The scheme is administered under the Ministry of Women and Child Development.
- (B) Ordinarily, accounts can be opened for a maximum of two girl children in a family.
- (C) After attaining the prescribed age, withdrawal of up to 50% of the balance is permitted for the higher education of the girl child.
- (D) The maximum amount that can be deposited is ₹1.5 lakh per financial year.
- (E) The interest rate under the Sukanya Samriddhi Scheme is 8% per annum.

How many of the statements given above are correct?

- (1) Only one
- (2) Only two
- (3) Only three
- (4) Only four
- (5) Question not attempted

Answer: (3) Only three - B, C and D

Explanation:

Options	Explanation
A X	❖ Administered by the Department of Economic affairs (Ministry of Finance).
B ✓	❖ Accounts can be opened for a maximum of two girl children in one family.
C ✓	❖ Families can open accounts for girls up to 10 years of age at post offices and authorised banks. ❖ The account shall mature after 21 years from the date of opening or on marriage of the girl child under whose name the account is opened, whichever is earlier ❖ Once the girl child is 18 years old, she can make an early withdrawal of up to 50% of the balance for higher education

D ✓

- ❖ Minimum deposit - ₹250 per year
- ❖ **Maximum deposit** - ₹1.5 lakh per year

E X

- ❖ Recently the interest rate for the Sukanya Samriddhi Scheme has been raised from 8% to **8.2%**

Note - SSY was launched in 2015 as a part of the 'Beti Bachao Beti Padhao' campaign.

2. Consider the following statements regarding **NAVYA (Nurturing Aspirations through Vocational Training for Young Adolescent Girls)**:

- (A) NAVYA was launched on **24 June 2025**.
- (B) It aims to provide vocational training to **girls aged 16–18 years under PMKVY 4.0**.
- (C) It is a joint initiative of the **Ministry of Education** and the **Ministry of Women and Child Development (MWCD)**.
- (D) The initiative aims to cover approximately **3,850 girls**.

Which of the statements given above are correct?

- (1) A, B and D only
- (2) A, B and C only
- (3) B, C and D only
- (4) A, B, C and D
- (5) Question not attempted

Answer: (1) A, B and D only

Explanation:

NAVYA (Nurturing Aspirations through Vocational Training for Young Adolescent Girls)

Options	Explanation
A ✓	❖ NAVYA was launched on 24 June 2025
B ✓	❖ Focuses on girls aged 16–18 years under PMKVY 4.0
C X	❖ It is a joint pilot initiative by the Ministry of Women and Child Development (MWCD) and the



(16) Human Development Index, Happiness Index and Other Indices

1. Which of the following statement/s is correct regarding HDI?

- (A) HDI Index is an arithmetic mean of 3 parameters
- (B) The theme of HDI report 2025 is Matter of Choice: People and Possibilities in the Age of AI
- (C) India Scored 0.685 and ranked 130th in HDI report 2025
- (D) Iceland topped the table

Options:

- (1) (A), (C) and (D) Only
- (2) (B), (C) and (D) Only
- (3) (A), (B) and (D) Only
- (4) All are correct
- (5) Question not attempted

Answer : (2)

Explanation

Options	Explanation
A ✗	❖ The Human Development Index (HDI) is calculated by taking the geometric mean of the three key dimensions : ➤ Health (life expectancy), ➤ Education (mean and expected years of schooling), and ➤ Standard of living (Per capita Income)
B ✓	❖ The theme of HDI report 2025 is Matter of Choice: People and Possibilities in the Age of AI
C ✓	HDI report 2025 ❖ India Scored 0.685 and ranked 130th in ❖ India Category - Medium human development" category
D ✓	Iceland ranked first with an HDI of 0.972 ❖ Iceland > Norway > Switzerland

Extra Information

HDI report 2025

- ❖ South Sudan ranked last with an HDI of 0.388
- ❖ China (78th), Sri Lanka (89th), and Bhutan (125th) rank above India
- ❖ Bangladesh (130th) - Same rank as India
- ❖ Nepal (145th), Myanmar (150th), and Pakistan (168th) are ranked below India

2. Consider the following Assertion (A) and Reason (R) regarding the Planetary pressures-adjusted Human Development Index (PHDI):

Assertion (A): India's PHDI (0.656) is lower than its HDI (0.685).

Reason (R): India has positive per-capita CO₂ emissions and material footprint, and PHDI adjusts the HDI downward based on these two planetary-pressure indicators.

- (1) Both A and R are true, and R is the correct explanation of A
- (2) Both A and R are true, but R is not the correct explanation of A
- (3) A is true, but R is false
- (4) A is false, but R is true
- (5) Question not attempted

Answer: (1) Both A and R are true, and R is the correct explanation of A

Explanation:

- ❖ India's Planetary Pressures-adjusted Human Development Index (PHDI) is 0.656, which is lower than its HDI value of 0.685.
- ❖ PHDI adjusts the HDI by considering **planetary pressure indicators**, mainly:
 - **Per capita CO₂ emissions**
 - **Material footprint per capita**
- ❖ Since India has positive environmental pressure due to these indicators, its HDI value is adjusted downward.

**(17) Environmental Degradation and Sustainable Development****1. MISHTI initiative is related to -**

- (1) Restoration and afforestation of mangrove ecosystems
- (2) Development of solar parks in coastal areas
- (3) Promotion of organic farming in tribal regions
- (4) Rejuvenation of urban water bodies
- (5) Question not attempted

Answer: (1) Restoration and afforestation of mangrove ecosystems

Explanation:

MISHTI (Mangrove Initiative for Shoreline Habitats & Tangible Incomes):

- ❖ Launched by: Ministry of Environment, Forest and Climate Change (MoEFCC) in 2023.
- ❖ The initiative aims at the **restoration and afforestation of mangrove ecosystems** along India's coastline.
- ❖ It focuses on increasing mangrove cover, protecting coastal ecosystems and improving the livelihood opportunities of local communities.
- ❖ Mangroves act as natural barriers against coastal erosion, storms and cyclones, while also supporting biodiversity and carbon sequestration.
- ❖ The initiative targets restoration of mangroves across **9 coastal states** and **3 Union Territories** through a five-year programme.

2. Which of the following is NOT one of the three Major Ports recognised as Green Hydrogen Hubs under the National Green Hydrogen Mission?

- (1) Deendayal Port Authority, Gujarat
- (2) V.O. Chidambaranar Port Authority, Tamil Nadu
- (3) Paradip Port Authority, Odisha
- (4) Visakhapatnam Port Authority, Andhra Pradesh
- (5) Question not attempted

Answer: (4) Visakhapatnam Port Authority, Andhra Pradesh

Explanation:

National Green Hydrogen Mission:

- ❖ The mission aims to develop India as a global hub for the production, usage and export of Green Hydrogen.
- ❖ It has set a target of producing 5 Million Metric Tonnes (MMT) of Green Hydrogen annually by 2030.
- ❖ Under the mission, **three major ports have been designated as Green Hydrogen Hubs:**
 - Deendayal Port Authority, Gujarat
 - V.O. Chidambaranar Port Authority, Tamil Nadu
 - Paradip Port Authority, Odisha

3. Consider the following statements regarding the National Green Hydrogen Mission:

- (A) The Mission targets a Green Hydrogen production capacity of **at least 5 MMT per annum by 2030.**
- (B) The **Strategic Interventions for Green Hydrogen Transition (SIGHT)** programme is a major financial measure under the Mission with an outlay of **₹19,744 crore.**
- (C) The Mission is expected to result in an associated **renewable energy capacity addition of about 125 GW by 2030.**
- (D) The Mission has a total outlay of **₹17,490 crore**, with expenditure envisaged up to **FY 2029-30.**

Which of the statements given above are correct?

- (1) A and C only
- (2) A, B and C only
- (3) B and D only
- (4) A, B, C and D
- (5) Question not attempted

Answer: (1) A and C only

Explanation:

Options	Explanation
A ✓	The National Green Hydrogen Mission targets the production of at least 5 Million Metric Tonnes (MMT) of Green Hydrogen

**(18) Miscellaneous**

1. Match the following financial regulatory bodies with their year of establishment and headquarters:

List-I (Regulatory Body)	List-II (Year)	List-III (Headquarters)
A. SEBI	I. 2000	P. New Delhi
B. IRDAI	II. 2003	Q. Mumbai
C. PFRDA	III. 1988	R. Hyderabad

Select the correct answer using the code given below:

- (1) A-III-Q, B-I-R, C-II-P
- (2) A-I-Q, B-II-P, C-III-R
- (3) A-III-R, B-I-P, C-II-Q
- (4) A-II-P, B-III-R, C-I-Q
- (5) Question not attempted

Answer: (1) A-III-Q, B-I-R, C-II-P

Explanation:

Regulatory Body	Year	Headquarters
SEBI	1988	Mumbai
IRDAI	2000	Hyderabad
PFRDA	2003	New Delhi

2. Match the following books with their authors:

List-I (Book)	List-II (Author)
A. The General Theory of Employment, Interest and Money	I. Amartya Sen
B. Das Kapital	II. Adam Smith
C. The Wealth of Nations	III. John Maynard Keynes
D. Development as Freedom	IV. Karl Marx

Select the correct answer using the code given below:

- (1) A-III, B-IV, C-II, D-I

- (2) A-IV, B-III, C-I, D-II
- (3) A-III, B-I, C-IV, D-II
- (4) A-II, B-IV, C-III, D-I
- (5) Question not attempted

Answer: (1) A-III, B-IV, C-II, D-I

Explanation:

Book	Author
The General Theory of Employment, Interest and Money	John Maynard Keynes
Das Kapital	Karl Marx
The Wealth of Nations	Adam Smith
Development as Freedom	Amartya Sen