UPPCS Prelims 2025 Test 10 (Questions) – Economics Full Length (SSW - 8077834630)

Question 1. What is the current status of India's economy in terms of classification?
(a) Low-Income and Socialist
(b) Developed and Capitalist
(c) Emerging Market and Mixed Economy
(d) LDC and Command Economy

Question 2. Who is regarded as the father of modern economics?
(a) Amartya Sen
(b) Alfred Marshall
(c) Adam Smith
(d) J.M. Keynes

Question 3. Consider the following statements:

1. Microeconomics deals with households and firms.
2. Macroeconomics deals with unemployment, GDP, and inflation.

Choose the correct option:
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 4. India is called a dualistic economy primarily because –
(a) It has high urban-rural migration
(b) Two sectors operate with different technologies and productivity
(c) It relies on imports for high-end tech
(d) Government and private firms function independently

Question 5. Which of the following is NOT a feature of India's LPG reforms post-1991?
(a) Deregulation
(b) Nationalization
(c) Disinvestment
(d) Globalization

Question 6. Consider the following statements regarding Kuznets Curve:

1. It shows that inequality increases initially with growth and then declines.
2. It is represented as an inverted U-shape.

Which of the above is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 7. Which among the following countries had the highest per capita income (PPP) in 2025?
(a) China
(b) Qatar
(c) USA
(d) Luxembourg

Question 8. Which Union Territory had the **lowest population** in Census 2011?
(a) Lakshadweep
(b) Daman and Diu
(c) Dadra and Nagar Haveli
(d) Andaman and Nicobar Islands

Question 9. Which Indian state had the lowest population density in Census 2011?
(a) Arunachal Pradesh
(b) Sikkim
(c) Mizoram
(d) Nagaland

Question 10. According to Census 2011, the total literacy rate in India was:
(a) 65.4%
(b) 72.3%
(c) 74.04%
(d) 76.9%

Question 11. Consider the following statements:

1. The sex ratio of India in 2011 was 943 females per 1000 males.
2. Kerala had the highest sex ratio in India.

Choose the correct option:
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 12. As per the **World Population Prospects 2024**, India's population in 2023:
(a) Was less than that of China
(b) Was equal to China
(c) Overtook China
(d) Was third largest

Question 13. According to Census 2011:

1. Uttar Pradesh had the highest number of children aged 0–6
2. Bihar had the highest proportion of child population
3. Kerala had the lowest population growth rate

Which are true?
(a) 1 and 2
(b) 2 and 3
(c) 1 and 3
(d) 1, 2 and 3

Question 14.
Assertion (A): India's population growth rate is declining.
Reason (R): Fertility rate in India has dropped below replacement level.
Code:
(a) Both A and R are true and R is correct explanation
(b) Both A and R are true but R is not correct explanation
(c) A is true but R is false
(d) A is false but R is true

Question 15. India's demographic dividend is expected to last until:
(a) 2065
(b) 2035
(c) 2040
(d) 2055

Question 16. Consider the following statements:

1. Inequality in wealth is more than inequality in income.
2. Inequality in income is more than inequality in expenditure.

Which of the above is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 17. Palma Ratio is used to measure:
(a) Carbon footprint per person
(b) Differences in educational attainment
(c) Inequality based on income distribution
(d) Inequality in access to natural resources

Question 18. Which of the following are tools to measure income or wealth inequality?

1. Gini Coefficient
2. Lorenz Curve
3. Quintile Ratio

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

Question 19. The Environmental Kuznets Curve suggests:
(a) Inequality rises with pollution
(b) Environment degrades and then improves with growth
(c) Environment and inequality rise together
(d) Environment improves only in poor countries

Question 20. Which region, according to the World Inequality Report 2025, is the most unequal in the world?
(a) Europe
(b) East Asia
(c) North America
(d) MENA (Middle East and North Africa)

Question 21. What does the Unemployment Rate (UR) represent?
(a) Percentage of people without jobs in the total population
(b) Percentage of people not seeking work
(c) Percentage of unemployed people in the labour force
(d) Percentage of self-employed individuals

Question 22. Which of the following is the most comprehensive method of measuring unemployment?
(a) Usual Principal Status (UPS)
(b) Current Weekly Status (CWS)
(c) Usual Principal and Subsidiary Status (UPSS)
(d) Current Daily Status (CDS)

Question 23. Consider the following statements about Labour Force Participation Rate (LFPR):

1. LFPR includes both employed and unemployed individuals.
2. Low LFPR indicates higher dependency ratio.

Which of the above statements is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 24. Who conducts the Periodic Labour Force Survey (PLFS) in India?
(a) Ministry of Labour
(b) Labour Bureau
(c) NITI Aayog
(d) National Statistical Office (NSO)

Question 25. Which of the following are major types of unemployment in developing countries like India?

1. Disguised Unemployment
2. Structural Unemployment
3. Frictional Unemployment

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

Question 26. Match the types of unemployment with their characteristics:
A. Structural – 1. Skill Mismatch
B. Disguised – 2. Zero marginal productivity
C. Seasonal – 3. Work only in part of year
D. Frictional – 4. Between jobs transition
Code:
(a) A-1, B-2, C-3, D-4
(b) A-2, B-3, C-1, D-4
(c) A-3, B-2, C-4, D-1
(d) A-1, B-3, C-2, D-4

Question 27. Consider the following statements about Periodic Labour Force Survey:

1. LFPR of rural women is higher than that of urban women.
2. WPR of urban men is higher than urban women.
Which of the above is/are correct?

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

Question 28. Which of the following are objectives of MGNREGA?

1. Guarantee 100 days of wage employment
2. Provide skilled employment in rural areas
3. Promote livelihood security in rural areas

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

Question 29. Arrange the following economic phases in correct order as per business cycle:

1. Recession
2. Recovery
3. Boom
4. Depression

Code:
(a) 3, 1, 4, 2
(b) 1, 4, 3, 2
(c) 3, 4, 1, 2
(d) 4, 2, 3, 1

Question 30. Which of the following sectors has the **lowest employment elasticity** in India?
(a) Agriculture
(b) Manufacturing
(c) Construction
(d) Services

Question 31. What is the meaning of "casualisation of workforce" in the Indian labour market?
(a) Increase in salaried permanent jobs
(b) Decrease in part-time work
(c) Shift from self/employment to irregular wage work
(d) Increased automation in the workplace

Question 32. Why is formalisation of employment important for economic development?
(a) It increases tax evasion
(b) It lowers wages and reduces labour rights
(c) It enhances worker productivity and security
(d) It promotes casualisation of labour

Question 33. Which of the following statements is/are true about Pradhan Mantri Shram Yogi Maan-Dhan Yojana (PM-SYM)?

1. It is a voluntary pension scheme for unorganised workers.
2. It provides ₹3,000 monthly pension after 60 years of age.

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

Question 34. Who was the first to provide a scientific estimate of India's National Income?
(a) P.C. Mahalanobis
(b) Dadabhai Naoroji
(c) V.K.R.V. Rao
(d) D.R. Gadgil

Question 35. National Income is equal to:
(a) GDP at Market Price
(b) NNP at Factor Cost
(c) NDP at Constant Price
(d) GNP at Current Price

Question 36. Consider the following statements:

1. GNP includes the income of nationals earned from abroad.
2. GDP includes only the income generated within the domestic territory.

Which of the above is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 37. Which organization currently publishes India's National Income data?
(a) CSO
(b) Planning Commission
(c) NSO under MoSPI
(d) Labour Bureau

Question 38. Which of the following are included in National Income?

1. Wages and Salaries
2. Rent and Interest
3. Lottery Winnings

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

Question 39. Which of the following correctly define GDP Deflator?

1. Measures inflation across all sectors of the economy
2. Calculated as (Nominal GDP ÷ Real GDP) × 100
3. Based on fixed basket of goods

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

Question 40. Match the components of income with their corresponding factor of production:
A. Wages – 1. Labour
B. Rent – 2. Land
C. Interest – 3. Capital
D. Profit – 4. Entrepreneur
Code:
(a) A-1, B-2, C-3, D-4
(b) A-2, B-1, C-3, D-4
(c) A-1, B-3, C-2, D-4
(d) A-3, B-2, C-1, D-4

Question 41. Assertion (A): India's GNP is lower than its GDP.
Reason (R): Net Factor Income from Abroad (NFIA) is negative for India.
Code:
(a) Both A and R are true, and R is the correct explanation
(b) Both A and R are true, but R is not the correct explanation
(c) A is true, R is false
(d) A is false, R is true

Question 42. Arrange the following in the order of their introduction in India:

1. Estimate by Dadabhai Naoroji
2. Estimate by V.K.R.V. Rao
3. Use of GDP at Market Prices
4. Formation of National Income Committee

Code:
(a) 1, 2, 3, 4
(b) 1, 2, 4, 3
(c) 1, 3, 2, 4
(d) 3, 1, 2, 4

Question 43. Consider the following statements regarding GDP base year revision in India:

1. A new GDP base year helps better capture structural changes in the economy.
2. GDP base year revisions affect inflation targeting and fiscal policy estimates.

Which of the above statements is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 44. What is the proposed new base year for GDP calculation in India, as per MoSPI's recent revision plans?
(a) 2020–21
(b) 2021–22
(c) 2022–23
(d) 2017–18

Question 45. Consider the following statements:

1. Market Price includes Net Indirect Tax (NIT)
2. Factor Cost includes only factor incomes
Which of the above statements is/are correct?

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

Question 46. Which of the following items are included in GDP calculation?

1. Services of paid domestic workers
2. Transfer payments like pensions
3. Estimated rent of self-occupied houses

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

Question 47. Which of the following are components of Personal Income (PI)?

1. National Income
2. Transfer Payments
3. Corporate Retained Earnings

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

Question 48. Consider the following statements:

1. GDP includes intermediate goods.
2. GDP excludes services like imputed rent.
Which of the above is/are correct?

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

Question 49. Which of the following are deducted while calculating Disposable Personal Income (DPI)?

1. Personal taxes
2. Subsidies
3. Corporate profits not distributed

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

Question 50. Which of the following statements are true about the **base year** used in National Income accounting?

1. It should be a year of economic stability
2. It affects inflation-adjusted estimates
3. It changes every 10 years
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Question 51. What is the main difference between Economic Growth and Economic Development?
(a) Growth is qualitative, Development is quantitative
(b) Growth focuses on welfare, Development on output
(c) Growth is quantitative, Development is qualitative
(d) Both are synonymous

Question 52. Consider the following statements:

1. Capital formation is a key determinant of economic growth.
2. Incremental Capital Output Ratio (ICOR) measures capital productivity.
Which of the above is/are correct?

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

Question 53. Which of the following are included in the Sustainable Development Goals (SDGs)?

1. Climate Action
2. Gender Equality
3. Decent Work and Economic Growth

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

Question 54. Which of the following are dimensions of Human Development Index (HDI)?

1. Health
2. Knowledge
3. Gender equality
4. Standard of living

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

Question 55. Match the development indices with the publishing agency:
A. HDI – 1. UNDP
B. GHI – 2. Concern Worldwide & Welthungerhilfe
C. SDG Index – 3. SDSN
D. Global Gender Gap Report – 4. WEF
Code:
(a) A-1, B-2, C-3, D-4
(b) A-3, B-1, C-4, D-2
(c) A-2, B-3, C-4, D-1
(d) A-4, B-2, C-1, D-3

Question 56. Which of the following is considered the most comprehensive measure of **Inclusive Growth**?
(a) GDP Growth Rate
(b) Per Capita Income
(c) Inclusive Development Index (IDI)
(d) Gini Coefficient

Question 57. Which of the following are included in the Global Hunger Index (GHI)?

1. Child stunting
2. Child wasting
3. Maternal mortality

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

Question 58. Arrange the following Indian states in **descending order** based on their performance in the **SDG India Index 2023–24**:

1. Tamil Nadu
2. Himachal Pradesh
3. Kerala
4. Bihar

Code:
(a) 3, 1, 2, 4
(b) 1, 2, 3, 4
(c) 3, 2, 1, 4
(d) 2, 1, 3, 4

Question 59. Why is Inclusive Growth considered more sustainable than Economic Growth alone?
(a) It leads to faster GDP growth
(b) It reduces economic inequality and social unrest
(c) It avoids use of natural resources
(d) It ignores per capita income

Question 60. As per the **First Advance Estimates (FAE) 2024–25** released by NSO, what is the estimated **Per Capita Income at current prices** in India?
(a) ₹1,97,000
(b) ₹2,08,000
(c) ₹2,15,000
(d) ₹2,05,000

Question 61. Which of the following is true about the Global Gender Gap Report 2025?
(a) Published by UNDP
(b) Measures gender gap in health, education, economy, politics
(c) India ranked among top 20 countries
(d) Only considers labour market participation

Question 62. Consider the following statements regarding Corporate Social Responsibility (CSR) under the Companies Act, 2013:

1. CSR policy is applicable only to listed companies in India.
2. Unspent CSR funds related to ongoing projects must be transferred to a special CSR account within 6 months of the financial year-end.
3. Companies failing to comply with CSR requirements may face monetary penalties under the law.

Which of the above statements is/are correct?
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Question 63. Which of the following programs is aimed at improving regional inclusivity in India?
(a) PM-KUSUM
(b) Aspirational Districts Program
(c) PMAY-Gramin
(d) MGNREGA

Question 64. Which of the following are features of **Sustainable Development**?

1. Inter-generational equity
2. Intra-generational equity
3. Environmental degradation for economic growth

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

Question 65. Which of the following is NOT a feature of a good taxation system according to Adam Smith?
(a) Canon of Equity
(b) Canon of Certainty
(c) Canon of Productivity
(d) Canon of Convenience

Question 66. Which of the following taxes is considered 'progressive' in nature?
(a) Goods and Services Tax (GST)
(b) Personal Income Tax (PIT)
(c) Customs Duty
(d) Excise Duty

Question 67. Which of the following best defines 'Tax Buoyancy'?
(a) Responsiveness of tax revenue to changes in tax rates
(b) Increase in tax compliance over time
(c) Automatic increase in tax revenue due to GDP growth
(d) Total increase in tax collection after reforms

Question 68. Consider the following statements:

1. Direct taxes are usually progressive.
2. Indirect taxes are always progressive.
Which of the above is/are correct?

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

Question 69. Which of the following best describes 'Tax Avoidance'?
(a) Legal way of reducing tax by misusing loopholes
(b) Illegal concealment of income to evade tax
(c) Refusing to pay tax voluntarily
(d) A form of tax rebate offered by the government

Question 70. Consider the following statements:

1. TDS is deducted from salary or interest before payment to the individual.
2. TCS is collected by the seller from the buyer at the time of sale of certain goods.
Which of the above statements is/are correct?

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

Question 71. In the context of taxation, the term 'Laffer Curve' is used to represent:
(a) Relationship between tax rate and tax revenue
(b) Relationship between GDP and tax buoyancy
(c) Relationship between inflation and tax compliance
(d) Relationship between fiscal deficit and GDP

Question 72. Which of the following pairs is correctly matched?
Tax Type – Classification
(a) GST – Direct Tax
(b) Corporate Tax – Indirect Tax
(c) Excise Duty – Indirect Tax
(d) Income Tax – Indirect Tax

Question 73. Which one of the following best defines 'Tax Expenditure'?
(a) Excess tax collection by government
(b) Revenue lost due to exemptions and deductions
(c) Tax paid by exporters
(d) Tax rebates given to only salaried individuals

Question 74. Which one of the following statements is true about the GST Council in India?
(a) Its decisions require 100% consensus
(b) It is chaired by the Prime Minister
(c) It decides GST rates and policies
(d) It includes only state representatives

Question 75. Consider the following statements:

1. Direct taxes are easier to evade than indirect taxes.

2. Indirect taxes increase the cost of goods and services.
   Which of the statements given above is/are correct?

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

Question 76. Which of the following is NOT an objective of imposing surcharge and cess in the Indian taxation system?
(a) Making the tax system more progressive
(b) Earmarking funds for specific purposes
(c) Sharing revenue with States
(d) Temporarily raising additional resources

Question 77. Which committee recommended the introduction of Goods and Services Tax (GST) in India?
(a) Kelkar Committee
(b) L.K. Jha Committee
(c) Vijay Kelkar Task Force on FRBM
(d) Raja Chelliah Committee

Question 78. Which of the following best describes the term 'Tax Incidence'?
(a) The person who is legally bound to pay the tax
(b) The tax revenue collected by the government
(c) The burden of the tax actually borne by someone
(d) The point of collection of tax

Question 79. Which of the following statements best defines 'Pigouvian Tax'?
(a) Tax imposed to curb pollution or negative externalities
(b) Tax imposed to promote exports
(c) Tax imposed on inter-state trade
(d) Tax collected by local bodies

Question 80. 'Angel Tax' is imposed on:
(a) Venture capital firms
(b) Unaccounted property holders
(c) Start-ups receiving investments above fair value
(d) Corporates with foreign directors

Question 81. Who is responsible for the preparation of the Union Budget in India?
(a) Prime Minister's Office
(b) NITI Aayog
(c) Department of Economic Affairs
(d) Planning Commission

Question 82. Which article of the Indian Constitution deals with the presentation of the Union Budget?
(a) Article 266
(b) Article 110
(c) Article 112
(d) Article 280

Question 83. Assertion (A): Fiscal deficit is greater than budget deficit.
Reason (R): Fiscal deficit includes market borrowings while budget deficit includes only RBI borrowings.
Code:
(a) Both A and R are true, and R is the correct explanation of A
(b) Both A and R are true, but R is not the correct explanation
(c) A is true, R is false
(d) A is false, R is true

Question 84. Consider the following statements:

1. Revenue deficit indicates dissaving by the government.
2. Monetised deficit is fully prohibited under FRBM.
3. Primary deficit equals fiscal deficit minus revenue deficit.

Which are correct?
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1 and 2 only

Question 85. Consider the following statements about DBT (Direct Benefit Transfer):

1. It reduces leakages in subsidy distribution.
2. It enhances beneficiary convenience.
3. It increases the government's administrative cost.

Which of the above are correct?
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2, and 3

Question 86. Which of the following pairs are correctly matched?

1. Article 112 – Annual Financial Statement
2. Article 114 – Appropriation Bill

3. Article 267 – Public Account
4. Article 280 – GST Council

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

Question 87. What is the largest component of non-tax revenue for the Government of India as per Union Budget 2025–26?
(a) Dividend from PSUs
(b) Interest Receipts
(c) Profit from RBI
(d) Spectrum Fees

Question 88. Which deficit is considered the most inflationary?
(a) Fiscal Deficit
(b) Revenue Deficit
(c) Monetised Deficit
(d) Primary Deficit

Question 89. Which committee recommended abolishing the distinction between Plan and Non-Plan Expenditure?
(a) Raghuram Rajan Committee
(b) Vimal Jalan Committee
(c) N.K. Singh Committee
(d) Y.V. Reddy Committee

Question 90. Consider the following statements:

1. Interest payments are part of capital expenditure.
2. Disinvestment proceeds are capital receipts.

Choose the correct answer:
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 91. Which of the following is NOT part of the Consolidated Fund of India?
(a) Income Tax
(b) Borrowings from RBI
(c) Grants-in-aid
(d) Provident Fund

Question 92. Consider the following about Vote on Account:

1. It deals only with expenditure part.
2. It is passed without discussion.
3. It is used when budget cannot be passed in time.

Which are true?
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Question 93. Why is revenue deficit considered more harmful than fiscal deficit?
(a) It is larger in magnitude
(b) It reflects borrowing for consumption
(c) It affects credit rating
(d) It leads to surplus inflation

Question 94. Which of the following will help reduce revenue deficit?
(a) Reducing capital expenditure
(b) Increasing non-tax revenue
(c) Borrowing from RBI
(d) Reducing GDP

Question 95. In Budget 2025-26, which of the following taxes contributes the largest share to the Gross Tax Revenue?
(a) GST
(b) Income Tax
(c) Corporation Tax
(d) Union Excise Duty

Question 96. Match the following Components with Their Budget 2025-26 Figures (BE):
A. Revenue Receipts – 1. ₹5.2 lakh crore
B. Fiscal Deficit – 2. ₹15.68 lakh crore
C. Primary Deficit – 3. ₹2.9 lakh crore
D. Effective Revenue Deficit – 4. ₹0.97 lakh crore
Code:
A B C D
(a) 1 2 3 4
(b) 2 3 1 4
(c) 4 1 3 2
(d) 1 3 2 4

Question 97. Consider the following sources of revenue for the Union Budget 2025-26:

1. Borrowings and liabilities – 24%
2. Income Tax – 22%
3. GST and Other Taxes – 18%
4. Customs – 8%

How many of the above are correct as per Budget 2025–26?
(a) Only one

(b) Only two
(c) Only three
(d) All four

Question 98. What is the current International Poverty Line (Extreme Poverty Line) as defined by the World Bank using 2021 PPPs?
(a) $2.15 per day
(b) $2.70 per day
(c) $3.00 per day
(d) $1.90 per day

Question 99. Which of the following indices is used to measure Relative Poverty?
(a) Head Count Ratio
(b) Gini Coefficient
(c) MPI
(d) Poverty Gap Index

Question 100. What is the poverty line estimate for urban India as per the Tendulkar Committee (2011–12 prices)?
(a) ₹32.40 per day
(b) ₹47 per day
(c) ₹27 per day
(d) ₹25 per day

Question 101. Assertion (A): Rangarajan Committee proposed calorie norms and fat/protein intake as part of poverty estimation.
Reason (R): It reverted to a nutrition-based poverty line and used Modified Mixed Reference Period.
Code:
(a) Both A and R are true, and R is the correct explanation
(b) Both A and R are true, but R is not the correct explanation
(c) A is true, R is false
(d) A is false, R is true

Question 102. Match the committees with their poverty estimation features:
A. Alagh Committee – 1. Calorie norm based, first official PL
B. Lakdawala Committee – 2. URP method, state-level baskets
C. Tendulkar Committee – 3. MMRP, nutrition + non-food
D. Rangarajan Committee – 4. MRP, uniform basket, CPI
Code:
(a) A-1, B-2, C-3, D-4
(b) A-3, B-4, C-1, D-2
(c) A-2, B-3, C-1, D-4
(d) A-1, B-2, C-4, D-3

Question 103. Which of the following are causes of Feminization of Poverty in India?

1. Unequal property rights
2. Gender-based violence
3. Labour market discrimination
4. Caste-based reservation

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

Question 104. What is the most fundamental function of money?
(a) Store of value
(b) Medium of exchange
(c) Standard of deferred payments
(d) Transfer of value

Question 105. Which among the following is the most liquid form of money?
(a) M4
(b) M3
(c) M1
(d) M0

Question 106. Gresham's Law is related to:
(a) Inflation targeting
(b) Good money driving out bad
(c) Bad money driving out good
(d) Relationship between tax and money

Question 107. Which Indian institution is the sole authority for issuing banknotes (except ₹1 note)?
(a) Ministry of Finance
(b) RBI
(c) SEBI
(d) SBI

Question 108. Assertion (A): e-RUPI is a purpose-specific digital voucher.
Reason (R): It can be used as a legal tender like cash or coins.
Code:
(a) Both A and R are true, and R is the correct explanation
(b) Both A and R are true, but R is not the correct explanation
(c) A is true, R is false
(d) A is false, R is true

Question 109. Which of the following explains Managed Paper Currency Standard in India?
(a) Currency backed 100% by gold
(b) Currency printed without any limit
(c) Currency printed against minimum reserves
(d) Free-floating digital currency

Question 110. Which of the following are features of CBDC (Central Bank Digital Currency)?

1. Legal tender
2. Backed by blockchain
3. Issued by commercial banks
4. Fully decentralized

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

Question 111. What is the meaning of “Money Multiplier”?
(a) Ratio of CRR to M0
(b) Ratio of M3 to M0
(c) Ratio of demand to supply
(d) M0 × GDP

Question 112. Which of the following are characteristics of good money?

1. Durability
2. Divisibility
3. Fungibility
4. Volatility

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

Question 113. Which of the following are related to the Payment System in India?

1. NEFT
2. RTGS
3. IMPS
4. SWIFT

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

Question 114. What type of monetary policy is adopted during inflation?
(a) Expansionary
(b) Contractionary
(c) Fiscal push
(d) Quantitative easing

Question 115. What is the major limitation of monetary policy in India?
(a) It affects agriculture directly
(b) It’s highly effective in rural informal markets
(c) It can’t control supply-side inflation
(d) It reduces foreign remittance

Question 116. Which of the following inflation types is considered more harmful to national income?
(a) Demand-pull inflation
(b) Creeping inflation
(c) Cost-push inflation
(d) Disinflation

Question 117. Which agency publishes the Wholesale Price Index (WPI) in India?
(a) NSO
(b) RBI
(c) Labour Bureau
(d) Office of Economic Adviser, DPIIT

Question 118. Assertion (A): CPI includes both goods and services.
Reason (R): CPI tracks price changes at the producer level.
Code:
(a) Both A and R are true and R is the correct explanation
(b) Both A and R are true but R is not the correct explanation
(c) A is true, R is false
(d) A is false, R is true

Question 119. What is the impact of inflation on creditors?
(a) Gain
(b) Neutral
(c) Loss
(d) No impact

Question 120. Which of the following inflation conditions describes reflation?
(a) Price fall after recession
(b) General decrease in price levels
(c) Price rise as economy recovers from deflation
(d) A drop in unemployment with zero inflation

Question 121. Choose the incorrect statement:
(a) Inflation reduces purchasing power

(b) Deflation increases production
(c) Inflation benefits debtors
(d) Built-in inflation is linked to wage hikes

Question 122. Which committee recommended the establishment of Small Finance Banks and Payment Banks?
(a) Deepak Mohanty Committee
(b) Nachiket Mor Committee
(c) Urjit Patel Committee
(d) Raghuram Rajan Committee

Question 123. Consider the following statements:

1. MUDRA Bank refinances loans given by bank and MFIs.
2. MUDRA is a subsidiary of SIDBI.

Which of the statements is/are correct?
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 124. Which of the following are functions of the Financial Services Institutions Bureau (FSIB)?

1. Appointment of directors in PSBs
2. Strategy formulation for public banks
3. Monitoring performance of financial institutions
4. Issuing banking licenses

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

Question 125. What is the purpose of CRR (Cash Reserve Ratio)?
(a) Fund lending to rural banks
(b) Provide liquidity to NBFCs
(c) Control money supply in the economy
(d) Reduce fiscal deficit

Question 126. Which of the following statements about Bad Banks is true?
(a) They provide retail loans to customers
(b) They handle profit-oriented banking
(c) They absorb NPAs from commercial banks
(d) They are regulated by SEBI

Question 127. Which of the following are roles of DFIs in India?

1. Providing long-term capital to industries
2. Subscription to corporate securities
3. Participating in payment and settlement systems

Select the correct answer:
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Question 128. Which of the following correctly describes a difference between NBFCs and Banks?
(a) NBFCs can issue demand deposits
(b) Banks cannot accept fixed deposits
(c) NBFCs are part of payment settlement system
(d) NBFCs are not insured under DICGC

Question 129. Which of the following are features introduced under Basel III norms?

1. Leverage Ratio
2. Countercyclical Capital Buffer
3. Liquidity Coverage Ratio

Select the correct answer using the code below:
(a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Question 130. Which of the following best describes "Authorised Capital"?
(a) Capital issued to shareholders
(b) Capital actually paid by investors
(c) Maximum capital a company is allowed to raise
(d) Capital subscribed in IPO

Question 131. Consider the following statements:

1. Private Limited Companies can issue shares to the general public.
2. Public Limited Companies are listed on stock exchanges.

Choose the correct answer:
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 132. What does “Dematerialisation” in stock trading mean?
(a) Physical transfer of shares
(b) Trading in cash only

(c) Conversion of physical certificates to electronic form
(d) Removal of shares from trading

Question 133. Match the following instruments with their features:
A. Treasury Bills – 1. Short-term unsecured corporate bond
B. Commercial Paper – 2. Issued by banks, tradable
C. Certificate of Deposit – 3. Issued by Govt. of India
D. Debentures – 4. Long-term corporate bond

Code:
A B C D
(a) 1 2 3 4
(b) 3 1 2 4
(c) 2 3 4 1
(d) 4 2 3 1

Question 134. Match the following market participants with their roles:
A. Bull – 1. Sells shares in bulk
B. Bear – 2. Optimistic buyer
C. Stag – 3. Trades in short term only
D. Lame Duck – 4. Defaulter in trade

Code:
A B C D
(a) 1 2 4 3
(b) 2 1 3 4
(c) 3 1 2 4
(d) 2 3 1 4

Question 135. Which stock exchange index is based on top 50 companies in India?
(a) SENSEX
(b) NIFTY
(c) MIBOR
(d) BSE 100

Question 136. Which of the following was the first Industrial Policy Resolution of Independent India?
(a) 1948
(b) 1951
(c) 1956
(d) 1991

Question 137. Choose the incorrect statement
(a) The 1991 policy reduced public sector reservations.
(b) FDI cap was raised to 51% in 1991.
(c) Foreign Investment Promotion Board (FIPB) was created in 1991.
(d) MRTP Act was tightened in 1991 to curb monopolies.

Question 138. Which policy document is associated with Mahalanobis Model?
(a) Industrial Policy 1948
(b) Industrial Policy 1956
(c) Industrial Policy 1980
(d) Industrial Policy 1991

Question 139. Consider the following statements:

1. FDI in India is regulated by DPIIT under Ministry of Commerce & Industry.
2. FIPB continues to regulate FDI in India.

Choose the correct answer:
(a) Only 1
(b) Only 2
(c) Both 1 and 2
(d) Neither 1 nor 2

Question 140. Consider the following statements:

1. Navratna status gives greater autonomy to selected PSUs.
2. REC and PFC are both Maharatna companies.
Which is/are correct?

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

Question 141.
Consider the following statements:
Assertion (A): India achieved record production in both rice and maize during 2024–25.
Reason (R): This was driven by favorable monsoon and improved soil moisture.
Select the correct code:
(a) Both A and R are true, and R explains A.
(b) Both A and R are true, but R does not explain A.
(c) A is true, R is false.
(d) A is false, R is true.

Question 142. Choose the correct statement:
(a) India ranks 1st in organic farmers globally.
(b) India ranks 1st in organic area globally.
(c) India is the largest importer of organic food.
(d) Organic certification is not regulated in India.

Question 143. Match the following traditional farming terms with regions in India:

A. Jhum – 1. Odisha
B. Podu – 2. Andhra Pradesh
C. Vevar – 3. Chhattisgarh
D. Deepa – 4. Bundelkhand

Code:
A B C D
(a) 1 2 3 4
(b) 2 1 4 3
(c) 3 2 1 4
(d) 1 2 4 3

Question 144. Which of the following was the model on which India's First Five Year Plan was based?
(a) Mahalanobis Model
(b) Harrod-Domar Model
(c) Solow Growth Model
(d) Leontief Model

Question 145. Which Five-Year Plan was terminated early and replaced by the Rolling Plan?
(a) Third Plan
(b) Fourth Plan
(c) Fifth Plan
(d) Sixth Plan

Question 146. Which of the following correctly defines Balance of Payments (BoP)?
(a) Account of the government's fiscal performance
(b) Account of only public sector trade
(c) Account of all economic transactions of a country with the rest of the world
(d) Account showing only export and import of goods

Question 147. Which of the following components is NOT included in the Current Account of BoP?
(a) Export of services
(b) Transfer payments
(c) External Commercial Borrowings
(d) Import of goods

Question 148. Assertion (A): Depreciation of Rupee promotes exports.
Reason (R): Depreciation makes Indian goods cheaper in foreign currency.
Code:
(a) Both A and R are true and R is the correct explanation of A
(b) Both A and R are true but R is not the correct explanation
(c) A is true but R is false
(d) A is false but R is true

Question 149. Which revolution is associated with egg and poultry production in India?
(a) Pink Revolution
(b) Silver Revolution
(c) Golden Revolution
(d) White Revolution

Question 150. Which state was the first to implement land reforms in post-independent India?
(a) Punjab
(b) Madras
(c) Kerala
(d) West Bengal