

EDUCRAT IAS AANKLAN-PRELIMS TEST SERIES 2026

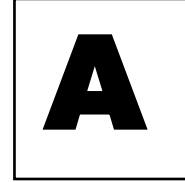


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Test Booklet Series



TEST BOOKLET

GENERAL STUDIES
Paper I

G-A-10-2025

Time Allowed: Two Hours

Maximum Marks: 200

INSTRUCTIONS

1. Immediately after the commencement of the examination, you should check that this test booklet does *not* have any unprinted or torn or missing pages or items etc. if so, get it replaced by a complete test book.
2. **Please note that it is the candidate's responsibility to encode and fill in the Roll Number and Test Booklet Series A, B, C or D carefully without any omission or discrepancy at the appropriate places in the OMR Answer Sheet. Any omission/discrepancy will render the Answer Sheet liable for rejection.**
3. 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, mark the response which you consider the best. In any case, choose **ONLY ONE** response for each item.
4. You have to mark all your responses **ONLY** on the separate Answer Sheet provided. See directions in the Answer Sheet. **All** items carry equal marks.
5. 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 Sheet as per instructions sent to you with your Admit Card.
6. **Penalty for wrong answers:**
THERE WILL BE PENALTY FOR WRONG ANSWERS MARKED BY A CANDIDATE IN THE OBJECTIVE TYPE QUESTION PAPERS.
 - (i) There are four alternatives for the answer to every question. For each question for which a wrong answer has been given by the candidate, **one-third** of the marks assigned to that question will be deducted as penalty.
 - (ii) If a candidate gives more than one answer, it will be treated as a **wrong answer** even if one of the given answers happens to be correct and there will be same penalty as above to that question
 - (iii) If a question is left blank i.e., no answer is given by the candidate, there will be **no penalty** for that question
7. After you have completed filling in all your responses on the Answer Sheet and the examination has concluded, you should hand over to the Invigilator *only* the *Answer Sheet*. You are permitted to take away with you the Test Booklet.

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1. Which of the following are the components of the Statutory Liquidity Ratio in India?

- I. Cash
- II. Gold
- III. Unencumbered investments in specified instruments
- IV. Special Drawing Rights

Select the correct answer using the code given below:

- (a) I, II and III only
- (b) I and III only
- (c) II and IV only
- (d) I, II and IV only

2. What is the “Triffin Dilemma”?

- (a) The inherent conflict between a country's domestic monetary policy goals and its international trade obligations
- (b) The inability of a country to maintain a fixed exchange rate with a currency peg
- (c) The tendency of countries to hoard foreign exchange reserves, leading to global deflation
- (d) The destabilizing effect of speculative capital flows on emerging markets

3. With reference to “Neo Bank”, consider the following statements:

- I. It is a digital bank that does not have any physical branches.
- II. It can accept deposits and offer lending products on their own.
- III. The Reserve Bank of India issues licenses to Neo banks in India.

How many of the statements given above are correct?

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

4. Which of the following can increase the money multiplier in an economy?

- I. Increase in the requirement of statutory deposits by the Central Bank
- II. Increase in the banking habits of the people

- III. Reduction in interest rates
- IV. Decrease in the Cash Reserve Ratio

Select the correct answer using the code given below:

- (a) I and II only
- (b) III and IV only
- (c) II, III and IV only
- (d) I, II, III and IV

5. Consider the following statements:

Statement I: The Reserve Bank of India (RBI) is considered as the lender of last resort.

Statement II: The RBI can lend to the government to finance budgetary deficits.

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

6. With reference to the banking sector, which one of the following best describes the term ‘haircut’?

- (a) Difference between the loan amount and the value of the asset used as collateral
- (b) Reduction in money supply due to tight monetary policy of the Central Bank
- (c) Reduction in interest rates of loans due to the prevailing inflation levels
- (d) Decrease in the levels of forex deposits held by non-residents of a country

7. Which one of the following is not a liability of the Reserve Bank of India?

- (a) Foreign currency reserve
- (b) Currency notes held by the public
- (c) Deposits of the State Government
- (d) Paid-up capital

8. Which one of the following best reflects the meaning of the term 'Domestic Systemically Important Banks (D-SIBs)' in India?

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- (a) Banks that have secured customer confidence owing to their robust performance.
- (b) Banks whose potential failure might disrupt the domestic financial system.
- (c) Banks exhibiting a higher return on investment and lower Non-Performing Assets (NPAs).
- (d) Banks which majorly operate within India and are resilient to external shocks.

9. Which of the following are included in the ambit of Gross Fixed Capital Formation in the Indian economy?

- 1. Increments in livestock in respect of breeding stock
- 2. Intangible assets like softwares
- 3. Transactions which are part of intermediate consumption
- 4. Durable goods in the hands of the households.

Select the correct answer using the code given below.

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

10. Which of the following best describes the term 'gig worker'?

- (a) An employee engaging in a work arrangement on the basis of a written contract of employment for a fixed period.
- (b) A person who is employed in an establishment and who has been recruited directly by the employer or indirectly through a contractor.
- (c) A person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship.
- (d) None of the above

11. Consider the following statements.

- 1. Monetary policy involves management of the money supply and interest rate of a country to achieve macroeconomic objectives.
- 2. Reduction in corporate tax rates is an example of monetary policy.

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

12. The macroeconomic variable that accounts for the income earned by Indians abroad while subtracting the earnings of foreign workers in the domestic economy is known as

- (a) Gross National Product (GNP)
- (b) Net National Product (NNP)
- (c) Gross Domestic Product (GDP)
- (d) Net Domestic Product (NDP)

13. In which one of the following contexts the terms "Baa2 and Baa3" are mentioned?

- (a) Generation of employment
- (b) Credit ratings of companies
- (c) Creation of public goods
- (d) Depreciation of assets

14. Consider the following statements with reference to the capital receipts:

- I. They create the sources of income contributing to the asset creation of the government.
- II. Unlike disinvestment proceeds, which are non-debt capital receipts, special securities issued to public-sector banks are debt capital receipts.

Which of the statements given above is/are correct?

- (a) I only
- (b) II only
- (c) Both I and II
- (d) Neither I nor II

15. Consider the following scenario:

Mr. X is a salaried employee. In the month of January 2018, he purchased equity shares of SBI Ltd. company listed on the Bombay Stock Exchange and sold the same in April 2021, after holding them for a period of more than 36 months. The profit earned by Mr. X through this will be taxed under:

- (a) Income tax
- (b) Goods and Services Tax
- (c) Capital gains tax
- (d) Corporate tax

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16. Consider the following statements:

Statement I: A progressive income tax acts as an automatic stabiliser in an economy.

Statement II: A progressive income tax makes consumer spending less sensitive to fluctuations in the GDP.

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

17. Consider the following:

- I. Decrease the repo rate
- II. Increase the tax rates
- III. Decrease public expenditure
- IV. Increase the import duty on raw materials

How many of the above steps can be taken by a government/central bank to tackle inflation in an economy?

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

18. Consider the following pairs:

Tax	Example
Tobin tax	Sales tax
Ad valorem tax	Import duty
Pigouvian tax	Carbon emissions tax

How many of the pairs given above are correctly matched?

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

19. Consider the following statements:

I. While the GDP deflator includes only domestic goods, the Consumer Price Index (CPI) includes both domestic and foreign goods.

II. While the GDP deflator measures the prices of a fixed basket of goods and services, the Consumer Price Index (CPI) measures the prices of all goods and services.

Which of the statements given above is/are correct?

- (a) I only
- (b) II only
- (c) Both I and II
- (d) Neither I nor II

20. Consider the following statements:

Statement I: Monetization of deficit can lead to demand pull inflation.

Statement II: Monetization of the deficit can increase the money supply without corresponding economic output.

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

21. If the tax multiplier is 1 in an economy, then 1 percent tax cut will lead to:

- (a) 1 percent boost to GDP
- (b) 10 percent boost to GDP
- (c) 1 percent reduction in GDP
- (d) No change in GDP

22. Consider the following statements:

- 1. Rising inflation will have negative impact on existing bond prices in economy
- 2. Individuals holding bonds will experience negative gains due to rising inflation.
- 3. Increase in inflation will lead to upward slope in the overall bond yield curve.

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Which of the above statements is/are valid if inflation in economy is rising consistently?

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

23. Which of the following powers are available to Navratna CPSEs?

1. Freedom to enter joint ventures and strategic alliances.
2. Authority to make equity investments in financial markets.
3. Autonomy in capital expenditure up to ₹1,000 crore or 15% of their net worth.
4. Power to decide on disinvestment strategies independently.

Select answer using the codes given below:

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

24. The world's population has more than doubled in the last 50 years. Which of the following has happened as well?

1. As Malthus predicted, the majority of people have been reduced to subsistence living.
 2. In comparison to average wages, the prices of most natural resources have risen dramatically.
- (a) 1 and 2 are both correct.
 - (b) Only 1
 - (c) Only 2
 - (d) Neither 1 nor 2 are correct.

25. If RBI increases repo rate by 50 basis points while keeping reverse repo unchanged, which of the following is most likely?

1. Cost of borrowing for banks increases
2. Liquidity in economy contracts
3. Banks lend more aggressively

Select the correct answer:

- (a) 1 only

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

26. India's GDP at market price is ₹250 lakh crore. Net factor income from abroad is –₹3 lakh crore. Indirect taxes are ₹20 lakh crore and subsidies are ₹5 lakh crore.

What is GNP at factor cost?

- (a) ₹222 lakh crore
- (b) ₹228 lakh crore
- (c) ₹232 lakh crore
- (d) ₹242 lakh crore

27. The following data relate to the Union Government budget:

- Total Expenditure = ₹1,20,000 crore
- Revenue Receipts = ₹70,000 crore
- Non-debt Capital Receipts = ₹10,000 crore
- Interest Payments = ₹15,000 crore

What are the Fiscal Deficit and Primary Deficit respectively?

- (a) ₹40,000 crore and ₹25,000 crore
- (b) ₹50,000 crore and ₹35,000 crore
- (c) ₹60,000 crore and ₹45,000 crore
- (d) ₹40,000 crore and ₹15,000 crore

28. Consider the following:

- I. Royalties
- II. Dividends from investments
- III. Remittances
- IV. Multilateral loans

How many of the above are Capital Account transactions?

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

29. Consider the following statements:

Statement I: Devaluation is a policy action whereby a government officially reduces the value of its currency.

Statement II: Devaluation of currency is undertaken to boost its exports in the international market.

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

30. Which one of the following statements best describes the term 'Import Coverage Ratio'?

- (a) Ratio of the value of exported goods and services to imported goods and services
- (b) Share of a country's own imports that is subject to a particular non-tariff barrier
- (c) Value of a country's foreign reserves sufficient to cover 15 months' worth of essential imports
- (d) Volume of imported intermediate goods that are exported after processing into final goods

31. Consider the following statements with regard to the Purchasing Power Parity (PPP):

Statement I: The PPP-based exchange rate is preferred over the market-based exchange rate to compare the standard of living of people.

Statement II: The PPP-based exchange rate does not reflect the purchasing power of money to buy non-traded goods.

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

32. A country runs a persistent trade deficit, yet economists suggest that it may reflect a rising growth prospects rather than economic weakness. Which of the following best explains this view?

- (a) A trade deficit always indicates that domestic industries are becoming less competitive in global markets
- (b) A trade deficit can help bring foreign investment, financing higher levels of domestic investment than what national savings alone can support
- (c) A trade deficit ensures that the domestic currency will appreciate in the long run, boosting foreign investment
- (d) A trade deficit prevents access to international savings and limits investment-led growth

33. Which of the following statements are correct with regard to the internationalisation of the rupee?

- I. It can help mitigate currency risks for Indian businesses.
- II. It will require India to hold large foreign exchange reserves.
- III. It can increase the bargaining power of Indian businesses in international trade.
- IV. It can make India more vulnerable to external economic shocks.

Select the correct answer using the code given below:

- (a) I and III only
- (b) II and IV only
- (c) II and III only
- (d) I and IV only

34. Consider the following:

- I. Fixing a limit on the quantity of tradable goods
- II. Granting production subsidies to producers of exportable goods
- III. Fixing standards of goods packaging

How many of the above are non-tariff barriers?

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

35. Consider the following events:

- I. Increase in the global oil prices
- II. Increase in India's Current Account Deficit

III. Depreciation of Indian currency against other currencies

How many of the above can most likely cause an increase in inward remittances to India?

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

36. Consider the following pairs:

Account in foreign transactions	Feature
Nostro account	Deposits are held in a foreign bank
Vostro account	Deposits are held in the currency of the country where the money is on deposit
Loro account	Deposits are maintained by one domestic bank for another in the form of a third party account

How many of the pairs given above are correctly matched?

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

37. Consider the following banks:

- I. Asian Development Bank
- II. Asian Infrastructure Investment Bank
- III. African Development Bank Group
- IV. New Development Bank

India is a founding member of how many of the above?

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

38. Arrange the following types of deficits in ascending order of their percentage share of GDP, as per the estimates provided in the Union Budget 2025–26

- 1. Primary Deficit (PD)
- 2. Revenue Deficit (FD)
- 3. Fiscal Deficit (FD)
- 4. Effective Revenue Deficit (ERD)

Select the correct answer using the code given below:

- (a) 1 - 3 - 2 - 4
- (b) 4 - 1 - 2 - 3
- (c) 4 - 3 - 1 - 2
- (d) 3 - 2 - 1 - 4

39. In the context of Prime Minister Dhan-Dhaanya Krishi Yojana, which of the following is not the objective of this scheme?

- (a) facilitate availability of long-term and short term credit to farmers.
- (b) to augment post-harvest storage at panchayat and Block levels
- (c) adopt crop diversification and sustainable agricultural practices
- (d) providing direct subsidies for the purchase of farm machinery

40. With reference to Ad Valorem and Specific Taxes, consider the following statements:

- 1. Unlike Specific Tax, Ad Valorem Tax varies with the price of the product and is therefore more responsive to inflation.
- 2. Unlike Ad Valorem Tax, Specific Tax remains constant per unit of the good or service regardless of changes in the market value of the good or service.
- 3. Unlike Ad Valorem Tax, Specific Tax is generally considered progressive in nature.

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

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41. Consider the following characteristics of goods in an economy:

1. Non-rivalrous consumption
2. Non-excludability
3. Marketable
4. Provided to consumers for profit generation

How many of the above are the characteristics of public goods?

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

42. Consider the following statements:

Statement I: A declining Import Coverage Ratio (ICR) may increase a country's vulnerability to external shocks and balance of payments crises.

Statement II: A declining ICR reflects a reduction in the foreign exchange reserves available to cover imports.

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

43. Consider the following pairs:

Five Year Plan	Major outcome
I. Second	Primary focus on speedy industrialization
II. Fourth	Nationalisation of major banks
III. Fifth	Launch of Minimum Needs Programme
IV. Sixth	Beginning of economic liberalisation
V. Seventh	Make India a self reliant economy

How many of the pairs given above are correctly matched?

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

44. Consider the following statements with reference to the Nominal Effective Exchange Rate (NEER) and the Real Effective Exchange Rate (REER):

I. Unlike REER, NEER adjusts for inflation differences between countries.

II. A rise in NEER indicates appreciation.

III. The rupee is considered to be fairly valued if the REER is close to 100.

Which of the statements given above is/are correct?

- (a) I only
- (b) II only
- (c) II and III only
- (d) I, II and III

45. Reserve Bank of India (RBI) uses various Monetary Policy tools to control the inflation in the economy. In this context, consider the following information:

Monetary Policy instrument	Description	RBI's approach to control Inflation
1. Repo Rate	Interest rate at which RBI lends money to commercial banks by keeping collaterals	Increase
2. Reverse Repo Rate	Interest rate at which banks deposit their funds with the RBI with collateral requirement.	Decrease
3. Bank Rate	Interest rate at which RBI lends money to commercial banks without keeping collaterals	Increase
4. Standing Deposit Facility	Interest rate at which banks deposit their funds with the RBI	Decrease

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	without any collateral requirement.	
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In how many of the above rows is the given information correctly matched?

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

46. Consider the following financial instruments:

- 1. Options
- 2. Swaps
- 3. Commercial Paper
- 4. Futures
- 5. Forwards

How many of the above are examples of derivatives?

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

47. In context to the digital payment infrastructure in India, consider the following statements:

- 1. The Unified Payments Interface (UPI) is built over the Immediate Payment Service (IMPS) infrastructure.
- 2. 'UPI Lite X' allows for offline payments without internet connectivity.
- 3. The 'UPI 123 PAY' which is an instant payment system for feature phones, allows a per day transaction limit of Rs.5,000

Which of the statements given above are correct?

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

48. Consider the following statements.

- 1. More than 70% of India's workforce is employed in agriculture.
- 2. The secondary sector contributes to more than 50% of India's GDP.

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.

- 1. The Tertiary sector, by themselves, do not produce a good but they are an aid or a support for the production process.
- 2. Tertiary sector includes some essential services that may not directly help in the production of goods.

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. Consider the following statements about GDP deflator.

- 1. GDP deflator is an index of price changes of goods and services included in GDP.
- 2. It helps to gauge inflation based on a fixed basket of goods and services.

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

51. In economics, the Marginal Propensity to Consume (MPC) measures

- (a) The proportion of a household's savings allocated to consumption
- (b) The proportion of total income spent on consumer goods
- (c) Ratio of total consumption to total savings in an economy
- (d) Ratio of additional consumption to additional income

52. An economy is said to be experiencing stagflation when it faces

- (a) High economic growth and high inflation
- (b) High economic growth and low unemployment
- (c) High unemployment and high inflation
- (d) Low unemployment and low inflation

53. Which of the following statements is correct about the Marginal Standing Facility (MSF)?

- (a) Under MSF, banks are able to borrow funds from RBI against the approved government securities.
- (b) There is no limit on the amount that can be borrowed using the MSF window.
- (c) It is an example of long term borrowing facility.
- (d) The MSF rate is usually pegged at par with the policy repo rate.

54. In a hypothetical scenario where the Lorenz curve rises above the line of perfect equality, which of the following holds true?

- (a) The Gini coefficient will be negative, indicating income redistribution in favor of the rich.
- (b) It implies that the distribution of income is more equitable than perfect equality.
- (c) It represents an extreme redistribution where the poorer sections receive disproportionately more income than expected under perfect equality.
- (d) The Gini coefficient becomes undefined, as the concept does not apply in such cases.

55. A country facing high inflation decides to adopt contractionary fiscal policy to stabilize its economy. It considers the following measures:

1. Increasing tax rates on higher-income groups.
2. Reducing public expenditure on nonessential infrastructure projects.
3. Increasing wages under the MGNREGA (employment guarantee scheme).
4. Cutting subsidies on fuel and electricity.
5. Devaluing the national currency to boost exports.

Which of the above measures are appropriate as per contractionary fiscal policy?

- (a) 1 and 2 only
- (b) 1, 2, and 4 only

- (c) 1, 3, and 5 only
- (d) 1, 2, 3, and 4 only

56. Consider the following receipts of the government

1. Dividends and profits from public sector enterprises (PSUs)
2. Customs duty collected on imported goods
3. Fees and fines collected by government authorities
4. Interest received on loans given by the government to states or other entities
5. Proceeds from disinvestment in public sector enterprises

Which of the above receipts are part of the non-tax revenue of the government?

- (a) 1, 2, and 3
- (b) 1, 3, and 4
- (c) 2, 3, and 5
- (d) 1, 3, 4, and 5

57. In a country where both gold coins and copper coins are used as currency, the government fixes the exchange rate such that 10 copper coins equals 1 gold coin, even though the market values gold coins higher. As a result, people start hoarding gold coins (good money) and use copper coins (bad money) for transactions, leading to a scarcity of gold coins in circulation.

Which of the following laws is demonstrated in this scenario?

- (a) Say's Law
- (b) Gresham's Law
- (c) Law of Diminishing Marginal Utility
- (d) Triffin Dilemma

58. Consider the following pairs:

Action	Most likely effect on goods and services
1. Money supply is increased while output decreases	Prices will go up

2. Money supply is decreased while output increases	Prices will come down
3. Money supply remains constant and output decreases	Prices will go up
4. Money supply remains constant and output increases	Prices will come down

How many of the above pairs are correctly matched?

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

59. Consider the following statements:

1. The increase in the monetary base proportionally increases the money multiplier.
2. When the RBI conducts open market operations, the money multiplier in the economy remains unchanged.

Which above statements is/ are incorrect?

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

60. In the context of a circular flow model, which of the following would disrupt the equilibrium in the system causing a shift in national income calculations?

- (a) The introduction of government taxation, which removes a portion of household income from the consumption loop.
- (b) A rise in the profits of firms results in higher investments and capital formation.
- (c) Increase in wages paid to labour leads to higher consumption by households.
- (d) A sudden increase in external trade leads to an influx of foreign goods and services, and alters the demand for domestic production.

61. Which of the following will be the outcome if economy is under inflationary pressure?

1. Domestic currency heads for depreciation.
2. Bondholders benefit as inflation increases the nominal interest rates.
3. Exports become less competitive as inflation makes domestic goods more expensive.

Select correct answer using code below:

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

62. Consider the following statement

Statement I: In an economy, the bond yield decreases during the period of recession.

Statement II: During the economic recession, investors tend to sell equity shares and prefer to purchase the bonds.

Which one of the following is correct with respect to the above statements?

- (a) Both Statement-1 and Statement-2 are correct and statement-2 explains statement-1
- (b) Both Statement-1 and Statement-2 are correct and statement-2 does not explain statement-1
- (c) Statement-1 is correct, but Statement-2 is incorrect
- (d) Statement-2 is incorrect, but statement-1 is correct

63. Which of following scenarios is theory of Opportunity Cost most directly applicable?

1. Opportunity cost only applies when monetary transactions are involved.
2. A country deciding whether to focus on manufacturing capital goods or consumer goods reflects opportunity cost.
3. A business exporting goods instead of selling them domestically does not involve opportunity cost.
4. A farmer choosing to cultivate wheat instead of rice based on expected returns is an example of opportunity cost.

Select correct answer using codes below:

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

(d) 2, 3, and 4 only

64. In context of cost-push inflation, which of following would lead to an immediate rise in overall price levels in the economy?

1. A nationwide lockdown
2. Implementation of 8th Pay Commission
3. A rise in the global price of oil
4. A severe drought causing a large-scale loss of crops

Select correct answer using the code below:

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

65. Rahul has been working as a machine operator in a textile manufacturing unit for over 15 years. Recently, the factory adopted fully automated machines that require advanced programming skills. Since Rahul does not have the necessary technical knowledge, he lost his job. Despite actively looking for work, he has been unable to find a similar job because most factories now prefer workers with technical and computer skills.

Which one of the following types of unemployment is best described in the above situation?

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

66. Consider the following statements:

Other things remaining unchanged, market demand for a good might increase if

1. price of its substitute increases
2. price of its complement increases
3. the good is an inferior good and income of the consumers increases
4. its price falls

Which of the above statements are correct?

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

(c) 1, 3 and 4

(d) 1, 2 and 3

67. Increase in absolute and per capita real GNP do not connote a higher level of economic development, if

- (a) industrial output fails to keep pace with agricultural output.
- (b) agricultural output fails to keep pace with industrial output.
- (c) poverty and unemployment increase.
- (d) imports grow faster than exports.

68. Which one of the following statements correctly describes the meaning of legal tender money?

- (a) The money which is tendered in courts of law to defray the fee of legal cases.
- (b) The money which a creditor is under compulsion to accept in settlement of his claims.
- (c) The bank money in the form of cheques, drafts, bills of exchange, etc.
- (d) The metallic money in circulation in a country.

69. Which of the following statements is/are correct regarding the 'Monetary Policy Committee (MPC)?'

1. It decides the RBI's benchmark interest rates.
2. It is a 12-member body including the Governor of RBI and is reconstituted every year.
3. It functions under the chairmanship of the Union Finance Minister.

Select the correct answer using the code given below:

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

70. Consider the following liquid assets:

1. Demand deposits with the banks
2. Time deposits with the banks
3. Savings deposits with the banks
4. Currency

The correct sequence of these assets in the decreasing order of liquidity is:

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- (a) 1-4-3-2
- (b) 4-3-2-1
- (c) 2-3-1-4
- (d) 4-1-3-2

71. With reference to the Organisation of Islamic Cooperation (OIC), consider the following statements:

1. The Organisation of Islamic Cooperation is the second largest intergovernmental organisation in the world after the United Nations.
2. It was established in 1969 with its headquarters located in Rabat, Morocco.
3. The official languages of the OIC include Arabic, English, and French.

Which of the statements given above is/are correct?

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

72. With reference to the Eurasian Otter, consider the following statements:

1. The Eurasian Otter is a semi-aquatic carnivorous mammal with a wide distribution ranging from Europe and the Middle East to parts of China and India.
2. The Eurasian Otter is listed as Endangered under the IUCN Red List and included in Schedule I of the Wildlife (Protection) Act, 1972.

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

73. With reference to Diphtheria, consider the following statements:

1. Diphtheria is a highly contagious viral infection that affects the respiratory tract and occasionally the skin.
2. The disease is caused by *Corynebacterium diphtheriae*, which produces a toxin responsible for many of its complications.
3. Diphtheria spreads through respiratory droplets as well as direct contact with infected skin sores.

4. In advanced stages, diphtheria can cause damage to the heart, kidneys, and nervous system.

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

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

74. With reference to the Krishi Nivesh Portal launch consider the following statements:

1. The platform serves as a one-stop interface for farmers, entrepreneurs, and investors by providing access to Central and State agriculture-related schemes.
2. It covers flagship schemes from multiple ministries and aims to enhance agribusiness, attract investment, and improve farmers' income through transparent and efficient processes.

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

75. With reference to MERCOSUR, consider the following statements:

1. MERCOSUR was established by the Treaty of Asunción in 1991 and has its headquarters in Montevideo, Uruguay.
2. All full members of MERCOSUR currently enjoy uninterrupted membership, and its official languages include Spanish, Portuguese, and English.
3. India entered into a Preferential Trade Agreement (PTA) with MERCOSUR in the early 2000s to enhance trade relations.

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

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

76. With reference to BharatGen, consider the following statements:

1. BharatGen is India's first AI-based multimodal Large Language Model designed specifically for Indian languages.
2. It is developed under the National Mission on Interdisciplinary Cyber-Physical Systems.
3. BharatGen integrates text, speech, and image modalities and supports all the official languages recognized in the Eighth Schedule of the Indian Constitution.
4. The initiative focuses on building a Generative AI ecosystem and targets various sectors.

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

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

77. With reference to Thrombectomy, consider the following statements:

1. Thrombectomy is a medical procedure used to remove blood clots from arteries or veins in order to restore normal blood flow.
2. Percutaneous thrombectomy necessarily requires open surgery and is performed only after administering systemic clot-dissolving drugs.

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

78. With reference to Kawal Tiger Reserve, consider the following statements:

1. Kawal Tiger Reserve is located in Telangana along the Krishna River and forms part of the southern-most tip of the Central Indian Tiger Landscape.
2. It is situated in the Sahyadri ranges and primarily consists of Southern Tropical Wet Evergreen Forest.

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

79. With reference to Lysosomal Storage Disorders (LSDs), consider the following statements:

1. Lysosomal Storage Disorders are rare genetic conditions caused by enzyme deficiencies, leading to toxic buildup in cells.
2. All LSDs are autosomal recessive in inheritance and typically begin only in infancy.
3. While there is no cure for LSDs, treatments are available to manage symptoms and reduce organ damage.

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

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

80. With reference to India's first E-Waste Recycling Eco Park, consider the following statements:

1. The Eco Park is being developed in Holambi Kalan, North Delhi.
2. The park will be developed entirely by the Delhi government without any private participation and will operate for a 5-year concession period.

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

81. With reference to Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA), consider the following statements:

1. PMSMA is a maternal health programme launched in 2016 that provides free antenatal care to pregnant women on the 9th of every month.

2. The programme ensures at least one ANC check-up in the second or third trimester and uses a risk-tagging system to identify high-risk pregnancies.

3. PMSMA is implemented only through private healthcare facilities and does not involve government hospitals or digital monitoring.

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

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

82. With reference to Commission for Air Quality Management (CAQM), consider the following statements:

1. CAQM is a statutory body established under the Commission for Air Quality Management in NCR and Adjoining Areas Act, 2021, with its headquarters in Delhi and functioning under the Ministry of Environment, Forest and Climate Change.
2. CAQM has the authority to regulate air quality across all states of India, including issuing binding directions beyond the NCR and adjoining areas.

Which of the statements given above is/are incorrect?

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

83. With reference to the UN High Seas Treaty (BBNJ), consider the following statements:

1. The treaty is the first legally binding international agreement aimed at protecting marine biodiversity.
2. It covers nearly one-third of the ocean and primarily focuses on regulating fishing activities.
3. Key provisions of the treaty include Marine Protected Areas, Environmental Impact Assessments, equitable sharing of Marine Genetic Resources, and capacity building for developing countries.

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

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

84. With reference to the PRASHAD Scheme, consider the following statements:

1. The PRASHAD Scheme, launched by the Ministry of Tourism, focuses on the integrated development of pilgrimage and heritage sites.
2. The scheme is implemented exclusively through central government agencies and does not promote Public-Private Partnerships or Corporate Social Responsibility initiatives.

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

85. With reference to Rinderpest, consider the following statements:

1. Rinderpest is a viral disease of cloven-hoofed animals caused by a Morbillivirus.
2. It is highly contagious but not transmissible to humans.
3. Rinderpest is still prevalent in some parts of Africa and Asia and has not yet been eradicated globally.

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

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

86. With reference to the Cook Islands, consider the following statements:

1. The Cook Islands are self-governing in free association with New Zealand, and their citizens hold New Zealand citizenship.
2. The Cook Islands uses its own independent currency separate from the New Zealand Dollar (NZD).

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

87. With reference to CaTRAT (Camera Trap data Repository and Analysis Tool), consider the following statements:

1. CaTRAT is an AI-based software used to identify Himalayan snow leopards through camera trap images by automatically sorting species photos.
2. CaTRAT is primarily used for monitoring tigers and lions in India, including real-time surveillance and GPS-based geotagging.

Which of the statements given above is/are incorrect?

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

88. With reference to the Sustainable Development Report 2025, consider the following statements:

1. India has entered the top 100 countries in SDG progress for the first time.
2. Globally, only about 17% of SDG targets are likely to be met by 2030 due to conflicts, fiscal constraints, and structural issues.
3. Finland, Sweden, and Denmark rank at the bottom of the SDG Index, while East and South Asia have shown the least progress since 2015.

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

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

89. With reference to the Integrated Biodiversity Assessment Tool (IBAT), consider the following statements:

1. IBAT was founded in 2008 by BirdLife International, Conservation International, IUCN, and UNEP-WCMC.

2. IBAT is headquartered in Geneva, Switzerland, and primarily focuses on providing climate change data rather than biodiversity information.

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

90. With reference to Black Mass Recovery Technology, consider the following statements:

1. Black Mass Recovery Technology is used to extract critical metals such as lithium, cobalt, nickel, and manganese from end-of-life lithium-ion batteries with 97–99% recovery efficiency.
2. The technology relies exclusively on a dry process and does not involve any wet leaching or purification steps.
3. The recovered compounds, including lithium carbonate, meet global standards and help reduce import dependence.

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

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

91. With reference to India's economy and GDP comparisons, consider the following statements:

1. Nominal GDP accounts for differences in cost of living and provides a better comparison of real economic capacity across countries than PPP-adjusted GDP.
2. Under the PPP method, India became the third-largest economy in 2008 and has maintained that position till 2025.
3. Limitations of nominal GDP include its vulnerability to exchange rate volatility, failure to reflect domestic purchasing power, and undervaluation of poorer economies.

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

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

92. With reference to the U.S.-India Subsea Cable Agenda, consider the following statements:

1. Subsea cables carry over 95% of international data traffic, making them critical for digital services.
2. India's subsea cable landing stations are spread evenly across all coastal states, ensuring redundancy and minimal vulnerability to disruptions.
3. Recommendations to strengthen India's subsea cable ecosystem include easing regulatory clearances, lowering entry barriers for investment, and developing a domestic cable repair ecosystem.

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

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

93. With reference to India's manufacturing growth drivers, consider the following statements:

1. Policy support like PLI and Atmanirbhar Bharat, along with rising FDI, aims to build capacity in sectors such as electronics, textiles, and semiconductors.
2. India's demographic advantage is limited, with less than 50% of the population in the working-age group, constraining labor-intensive sector growth.

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

94. Consider the following statements:

1. India contributes over 80% of the Brahmaputra's total water yield despite covering only about 34% of the basin, due to high monsoonal rainfall and numerous tributaries.

2. Chinese hydropower projects upstream, including the Medog Hydropower Project, are expected to drastically reduce India's river flow throughout the year.

Which of the statements given above is/are incorrect?

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

95. With reference to India's fertility trends, consider the following statements:

1. India's total fertility rate has declined to 1.9, below the replacement level, due to improved reproductive healthcare, women's empowerment, and educational outreach, not coercive measures.
2. The fertility decline implies that India's working-age population is shrinking, and the country is already facing a demographic crisis.

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

96. With reference to India's socio-economic challenges, consider the following statements:

1. Bihar's GSDP is only one-fifth of Maharashtra's, indicating significant inter-state economic disparities affecting infrastructure and service delivery.
2. Women in India earn about 18% of men's income, and the country ranks 135th on the Global Gender Gap Index (2022).
3. Over 70% of India's population is financially literate, ensuring widespread access to credit, savings, and investment opportunities.

How many of the statements given above are incorrect?

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

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97. With reference to the regulation of elections in India, consider the following statements:

1. Article 324 empowers the Election Commission of India to supervise and conduct elections, while the Representation of the People Acts (1950 & 1951) regulate electoral rolls, constituencies, and the conduct of elections.
2. The Model Code of Conduct (MCC) is a legally binding framework that overrides the Representation of the People Act in case of conflict.

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

98. With reference to MSMEs in India, consider the following statements:

1. MSMEs contribute nearly 46% of India's total exports and employ around 60% of the workforce.
2. Despite financial inclusion initiatives like MUDRA loans, only a fraction of MSMEs have accessed formal credit, highlighting limited access to finance.
3. Over 70% of MSMEs extensively use digital lending and e-commerce platforms.

How many of the statements given above are correct?

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

99. With reference to India's clean energy and green-tech initiatives, consider the following statements:

1. India's green-tech sectors are expected to create 5–6 million jobs by 2030, increasing to 9–10 million by 2047.
2. Recycling of solar panels and EV batteries under the National Critical Mineral Mission helps reduce dependency on critical minerals.

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

100. With reference to the challenges in the Indian education system, consider the following statements:

1. Only 18.47% of rural schools have internet access, and the rural dropout rate is 37%, reflecting unequal access to quality education.
2. Over 1 million teacher vacancies exist, particularly in rural areas, and professional development remains sporadic and uneven.
3. Employability of graduates remains low at 50.3%, as academic curriculum is largely disconnected from market needs and lacks focus on skill development.

Which of the statements given above is/are correct?

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