

## MAT Economic & Business Environment Sample Paper-15

Duration: 24 Minutes

Maximum Marks: 30

### Instructions

- This paper contains **30** Multiple Choice Questions from the **Economic & Business Environment** section of MAT.
- Each correct answer carries **+1 mark**. Incorrect answer: **-0.25** marks. Only **one** correct option.
- There is **no** negative marking for unattempted questions.
- Suggested time for this section in the full MAT is approximately **24 minutes**.
- Use of mobile phones, smartwatches, calculators, or any electronic gadgets is strictly prohibited.

**Q1.** Which European nation officially became the first globally to enforce a mandatory, nationwide sovereign supply-chain traceability ledger using public blockchain registries for all premium luxury exports starting in early 2026?

- (A) Italy
- (B) Switzerland
- (C) France
- (D) Germany

**Q2.** The Government of India recently greenlit a massive sovereign maritime corridor project over Galathea Bay. In which Union Territory is this strategic international transshipment port infrastructure physically located?

- (A) Lakshadweep
- (B) Andaman and Nicobar Islands
- (C) Puducherry
- (D) Daman and Diu



- Q3.** Which major South American economy implemented an aggressive dynamic policy shift by completely dismantling its central bank architecture and transitioning its entire public account infrastructure to independent dollarized ledgers?
- (A) Venezuela
  - (B) Ecuador
  - (C) Argentina
  - (D) Peru
- Q4.** The Government of India launched the 'PM-Vidyalaxmi' initiative. What is the fundamental operational objective of this newly structured financial welfare framework?
- (A) Providing collateral-free educational loans to meritorious students entering premium Higher Education Institutes
  - (B) Offering specialized tech-incubation grants to female-led deep-tech startups in Tier-2 urban zones
  - (C) Financing localized micro-grid digital infrastructures across central rural schools
  - (D) Providing matching interest subsidies to vocational training units in under-served coastal blocks
- Q5.** Which strategic Indian Ocean island nation signed a major multi-year comprehensive economic partnership agreement with India to establish a permanent sovereign bilateral currency swap framework for non-oil trade?
- (A) Sri Lanka
  - (B) Maldives
  - (C) Mauritius
  - (D) Seychelles
- Q6.** A sudden, massive sovereign default vulnerability in which primary rare-earth mining nation triggered severe downstream supply-side price escalations across



global electric vehicle battery manufacturing corridors?

- (A) Democratic Republic of the Congo
- (B) Chile
- (C) Peru
- (D) South Africa

**Q7.** Which Indian public enterprise was formally accorded the premium administrative status of 'Maharatna' in the regulatory cycle, enhancing its independent cross-border corporate investment authority up to 5,000 Crore?

- (A) Solar Energy Corporation of India (SECI)
- (B) Hindustan Aeronautics Limited (HAL)
- (C) Indian Railway Finance Corporation (IRFC)
- (D) National Hydroelectric Power Corporation (NHPC)

**Q8.** In the Union Budget 2026-27, the central government targeted a specific, consolidated fiscal deficit ceiling as a percentage of the Gross Domestic Product (GDP). Identify this budgeted target baseline.

- (A) 4.1%
- (B) 4.3%
- (C) 4.5%
- (D) 4.9%

**Q9.** Consider the following national accounting variables for a dynamic fiscal market: Gross National Product at Market Price ( $GNP_{MP}$ ) = 12,500 Crore; Consumption of Fixed Capital = 1,200 Crore; Subsidies = 450 Crore; Indirect Wealth Taxes = 950 Crore. Compute the exact valuation of Net National Product at Factor Cost ( $NNP_{FC}$ ).

- (A) 10,800 Crore
- (B) 11,300 Crore
- (C) 11,800 Crore



(D) 12,200 Crore

**Q10.** Which economic review committee structure formally introduced the structural parameters of 'Inverted Duty Structure' reforms that heavily rationalized customs duties in recent fiscal budgets?

(A) Arvind Subramanian Committee

(B) Parthasarathi Shome Committee

(C) Kelkar Task Force

(D) Raghuram Rajan Committee

**Q11.** Under the current statutory classification framework of the Ministry of MSME, a corporate business unit is classified as a 'Micro' enterprise if its fiscal variables align with which specific threshold limits?

(A) Investment  $\leq$  1 Crore and Turnover  $\leq$  5 Crore

(B) Investment  $\leq$  2 Crore and Turnover  $\leq$  10 Crore

(C) Investment  $\leq$  5 Crore and Turnover  $\leq$  25 Crore

(D) Investment  $\leq$  10 Crore and Turnover  $\leq$  50 Crore

**Q12.** An institutional capital fund purchases an inflation-linked sovereign certificate carrying a nominal face value of 50,000 with a 3% fixed annual yield coupon. If cumulative consumer price inflation jumps by exactly 8% over the primary adjustments window, evaluate the updated face value and corresponding coupon payment.

(A) Face Value: 50,000; Coupon: 1,500

(B) Face Value: 54,000; Coupon: 1,500

(C) Face Value: 54,000; Coupon: 1,620

(D) Face Value: 50,000; Coupon: 1,620

**Q13.** The Reserve Bank of India (RBI) utilizes the 'Standing Deposit Facility' (SDF) as an explicit operational mechanism. Under this framework, what unique operational rule distinguishes it from standard Reverse Repo operations?



- (A) It demands a significantly higher hair-cut margin on commercial paper absorption
- (B) It allows commercial banks to park overnight liquidity without the RBI providing collateralized government securities
- (C) It forces an automatic adjustment across long-term statutory liquidity ratios
- (D) It requires the absolute clearing of secondary forward trading lines within 48 hours

**Q14.** Under the stringent systemic safety provisions mandated by Basel III capital management standards, what is the exact minimum 'Common Equity Tier 1' (CET1) capital ratio required to be maintained by a commercial banking institution, exclusive of capital buffers?

- (A) 4.5%
- (B) 5.5%
- (C) 6.0%
- (D) 8.0%

**Q15.** A specialized, non-standard over-the-counter financial contract that obligates an asset manager to either purchase or sell a specific volume of a foreign currency at a predetermined exchange rate on a fixed future date, but lacks any continuous secondary exchange margin clearing, is structurally classified as a:

- (A) Currency Option Contract
- (B) Forward Foreign Exchange Contract
- (C) Cross-Currency Basis Swap
- (D) Synthetic Asset Futures Contract

**Q16.** Which global technology corporation executed the definitive multi-billion dollar acquisition of the specialized data infrastructure enterprise 'Splunk', marking one of the largest software consolidations in corporate tech history?

- (A) Cisco Systems, Inc.



- (B) Broadcom Inc.
- (C) Oracle Corporation
- (D) International Business Machines (IBM)

**Q17.** The high-profile domestic consolidation of the quick-service food tech segment saw the complete corporate integration of the premium coffee network 'Blue Tokai' by which fast-growing food commerce platform matrix?

- (A) Zomato Entertainment Limited
- (B) Swiggy Bundl Technologies
- (C) Jubilant FoodWorks Limited
- (D) Devyani International

**Q18.** Which consumer conglomerate successfully acquired the complete ownership of the iconic personal care asset brand 'Park Avenue' and 'Premium' from the Raymond Consumer Care stable to amplify its grooming portfolio?

- (A) Godrej Consumer Products Limited (GCPL)
- (B) Hindustan Unilever Limited (HUL)
- (C) Marico Industries
- (D) ITC Limited

**Q19.** The sweeping global antitrust enforcement actions initiated recently targeted which digital enterprise for allegedly building an anticompetitive digital monopoly through restrictive software application billing architectures on its smartphone ecosystem?

- (A) Apple Inc.
- (B) Alphabet Inc.
- (C) Microsoft Corporation
- (D) Amazon Web Services



- Q20.** Under which specific Article of the Constitution of India is the multi-lateral federal governance body, the 'Goods and Services Tax Council' (GST Council), structurally established and authorized?
- (A) Article 246A
  - (B) Article 269A
  - (C) Article 279A
  - (D) Article 280
- Q21.** In the context of land revenue governance implemented during British colonial rule in India, the highly structured 'Permanent Settlement' framework was formally enacted across the Bengal Presidency under the governorship of:
- (A) Warren Hastings
  - (B) Lord Cornwallis
  - (C) Lord Wellesley
  - (D) Lord William Bentinck
- Q22.** The high-altitude strategic geographic pass 'Shipki La', which serves as a major trade artery between India and Tibet, is located within which specific state's mountainous borders?
- (A) Himachal Pradesh
  - (B) Uttarakhand
  - (C) Sikkim
  - (D) Arunachal Pradesh
- Q23.** By which historic Constitutional Amendment Act did the Parliament of India insert the word 'Socialist', 'Secular', and 'Integrity' into the structural text of the Preamble?
- (A) 24<sup>th</sup> Constitutional Amendment Act
  - (B) 38<sup>th</sup> Constitutional Amendment Act
  - (C) 42<sup>nd</sup> Constitutional Amendment Act



(D) 44<sup>th</sup> Constitutional Amendment Act

**Q24.** The landmark 'General Agreement on Trade in Services' (GATS) structure, which governs global trade flows across four clear administrative delivery frameworks known as 'Modes', is maintained under the statutory oversight of:

(A) United Nations Conference on Trade and Development (UNCTAD)

(B) World Trade Organization (WTO)

(C) International Chamber of Commerce (ICC)

(D) World Bank Group

**Q25.** The specialized financial development arm known as the 'International Development Association' (IDA), which provides interest-free 'soft loans' and structural development grants to the world's poorest sovereign states, is an integral organ of the:

(A) International Monetary Fund (IMF)

(B) World Bank Group (WBG)

(C) Asian Development Bank (ADB)

(D) New Development Bank (NDB)

**Q26.** Who among the following literary figures was conferred the highly prestigious 61<sup>st</sup> Jnanpith Award (for 2025), India's highest literary honour, recognizing phenomenal lifetime contributions to poetry and literature?

(A) Gulzar

(B) Vairamuthu

(C) Vinod Kumar Shukla

(D) Damodar Mauzo

**Q27.** At the historic 98<sup>th</sup> Academy Awards ceremony celebrated in March 2026, which masterful cinematic project secured the coveted distinction of winning the 'Best Picture' Oscar?



- (A) Sinners
- (B) One Battle After Another
- (C) Frankenstein
- (D) Hamnet

**Q28.** In the running league phase matches of the Indian Premier League (IPL) 2026 tournament, which highly competitive franchise team created a major tournament milestone by becoming the first to secure a definitive playoff spot?

- (A) Gujarat Titans (GT)
- (B) Sunrisers Hyderabad (SRH)
- (C) Royal Challengers Bengaluru (RCB)
- (D) Rajasthan Royals (RR)

**Q29.** The Indian Space Research Organisation (ISRO) successfully conducted the orbital deployment of its next-generation meteorological satellite platform designed to enhance advanced climate warning data arrays. Identify this specialized space asset.

- (A) INSAT-3DS
- (B) EOS-07
- (C) XPOSAT
- (D) Oceansat-3

**Q30.** In advanced computing microarchitecture engineering, the complex operational transition toward 'Gate-All-Around' (GAA) transistor designs was commercialized globally to supersede which long-standing structural semiconductor framework?

- (A) Planar MOSFET
- (B) FinFET
- (C) Bipolar Junction Architecture
- (D) Gallium Nitride Monoliths



**Detailed Solutions****Q1.****Solution**

**Concept:** Sovereign supply-chain traceability ledger platforms use immutable, public decentralized technology architectures to guarantee product provenance. By establishing mandatory anti-counterfeiting tracking across premium fashion, wine, and artisanal exports, manufacturing economies defend their brand intellectual property and premium global valuations.

**Solution:** Italy officially became the first nation globally to enforce a mandatory, nationwide sovereign supply-chain traceability ledger utilizing public blockchain registries for all premium luxury exports starting in early 2026. Designed to protect the global prestige of the "Made in Italy" label, this public policy requires high-fashion houses, automotive developers, and premium leather artisans to log verifiable provenance data at every step of manufacturing. This framework generates a tamper-proof digital product passport for global buyers, shutting out illegal counterfeits and securing Italy's premium luxury export economic channels.

**Final Answer:**

**Answer:** (A)

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**Q2.****Solution**

**Concept:** Deep-water international transshipment ports require a high natural draft alongside an optimal geographic location near global maritime shipping lines. This infrastructure allows large main-line cargo ships to unload goods to be distributed to regional feeder ports, lowering transport costs across global logistics networks.

**Solution:** The strategic international transshipment port infrastructure over Galathea Bay is located within the Union Territory of the Andaman and Nicobar Islands, at the southern tip of Great Nicobar Island. The Government of India accelerated the development of this major infrastructure corridor because of its strategic proximity to the Malacca Strait, one of the world's busiest maritime trading corridors. Featuring a natural draft exceeding 20 meters, Galathea Bay is engineered to handle ultra-large container ships, allowing India to capture a large share of the regional transshipment traffic currently managed by international hubs like Singapore and Colombo.

**Final Answer:**

**Answer:** (B)

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Q3.

**Solution**

**Concept:** Full economic dollarization involves dismantling an economy's sovereign central banking architecture and replacing the domestic fiat token with the United States Dollar (*USD*). By giving up independent monetary policy, the implementing state seeks to stop hyperinflation and stabilize its public accounts.

**Solution:** Argentina implemented a dynamic policy shift by moving to completely dismantle its central banking architecture and transition its entire public accounting framework to independent dollarized ledgers. This aggressive macroeconomic reform was introduced to curb chronic hyperinflation and stop the continuous devaluation of the local peso. By adopting the U.S. Dollar as its sole legal tender and ending the central bank's authority to print unbacked currency, the state tied its monetary baseline directly to international capital reserves, restructuring its public debt and corporate lending dynamics.

**Final Answer:** Argentina

**Answer:** (C)

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Q4.

**Solution**

**Concept:** Sovereign financial welfare initiatives use targeted credit systems to remove wealth barriers for students entering higher education. Providing central interest subventions and credit guarantee backups encourages financial institutions to offer loans to meritorious students without demanding family assets as collateral.

**Solution:** The fundamental operational objective of the 'PM-Vidyalaxmi' initiative is providing collateral-free educational loans to meritorious students entering premium Higher Education Institutes (HEIs) across India. Under this financial welfare framework, any student who secures admission into a top-tier national institution is eligible for a loan covering the full cost of tuition and related educational expenses. The government provides a centralized credit guarantee to remove the requirement for co-applicants or asset collateral, alongside targeted interest subsidies for families below specific income thresholds, ensuring that financial limitations do not block access to advanced academic pathways.

**Final Answer:** Collateral-free education loans for meritorious students

**Answer:** (A)

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Q5.

**Solution**

**Concept:** Bilateral currency swap frameworks allow trading nations to settle commercial transactions using their local currencies instead of an intermediary global currency like the *USD*. This mechanism reduces exchange rate volatility, lowers transaction fees, and helps partner nations retain hard foreign currency reserves during liquidity crunches.

**Solution:** The Maldives signed a major multi-year comprehensive economic partnership agreement with India to establish a permanent sovereign bilateral currency swap framework for non-oil trade. This financial architecture allows the Maldives Monetary Authority and the Reserve Bank of India to settle mutual commercial transactions directly in Indian Rupees (INR) and Maldivian Rufiyaa (MVR). This local currency settlement system lowers transaction friction for food, medicine, and construction materials imports, easing pressure on the Maldives' foreign exchange reserves and deepening trade ties between the two Indian Ocean nations.

**Final Answer:** Maldives

**Answer:** (B)

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Q6.

**Solution**

**Concept:** Global clean-energy supply lines are highly vulnerable to localized economic shocks when raw material extraction is concentrated in a single geographic zone. Financial instability or regulatory disruptions in a primary mining nation can slow down extraction lines, driving up production costs for battery manufacturers worldwide.

**Solution:** A sudden sovereign default vulnerability in the Democratic Republic of the Congo (DRC) triggered severe downstream supply-side price escalations across global electric vehicle (EV) battery manufacturing corridors. The DRC holds a dominant position in the global clean-energy supply chain, producing over 70% of the world's raw cobalt, an essential component in lithium-ion battery chemistries. When fiscal deficits and structural debt pressures created sovereign default vulnerabilities within the DRC, local mining operations faced gridlocks, export licensing delays, and labor disputes. This bottleneck reduced the global supply of battery-grade cobalt, causing component costs to spike for automakers across Asia and Europe.

**Final Answer:** Democratic Republic of the Congo

**Answer:** (A)

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Q7.

**Solution**

**Concept:** The 'Maharatna' designation is granted to exceptional public enterprises by the Department of Public Enterprises based on consistent net profit, global operations, and a strong domestic footprint. This administrative upgrade gives the company's board greater financial freedom, allowing it to invest up to 5,000 Crore in a single international venture or joint project without requiring central ministry approval.

**Solution:** Hindustan Aeronautics Limited (HAL) was formally accorded the premium administrative status of 'Maharatna' during the regulatory cycle. As a major aerospace and defense public enterprise, HAL met the strict criteria, including a consistent track record of high net worth, significant annual net profits, and a strong presence across global aerospace supply chains. Upgrading HAL to Maharatna status gives its board expanded financial autonomy to execute cross-border joint ventures, acquire foreign technology assets, and invest up to 5,000 Crore independently, speeding up domestic defense co-production and aerospace exports.

**Final Answer:**

**Answer: (B)**

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Q8.

**Solution**

**Concept:** The budgeted fiscal deficit target reflects the central government's projected borrowing needs relative to national GDP for a financial year. Setting a lower baseline deficit ceiling is part of a structural fiscal consolidation path designed to manage public debt, control inflation, and support long-term economic stability.

**Solution:** In the Union Budget 2026-27, the central government targeted a consolidated fiscal deficit ceiling of exactly 4.5% of the Gross Domestic Product (GDP). This target baseline aligns with the medium-term fiscal consolidation roadmap designed to bring the deficit down from previous emergency levels. By keeping the annual deficit cap at 4.5%, the finance ministry aims to balance infrastructure spending with fiscal discipline. This target helps lower public debt ratios, free up loan capital for private industries, and maintain sovereign macroeconomic stability in international financial markets.

**Final Answer:**

**Answer: (C)**

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Q9.

**Solution**

**Concept:** Net National Product at Factor Cost ( $NNP_{FC}$ ), or National Income, measures the total net earnings of an economy's production inputs. To find this value from a gross market metric ( $GNP_{MP}$ ), we must subtract the consumption of fixed capital (depreciation) to make it a "Net" metric, then subtract indirect taxes and add back government subsidies to remove market price distortions.

**Solution:** To compute the exact valuation of the Net National Product at Factor Cost ( $NNP_{FC}$ ), we apply the national accounting transformation formula:

$$NNP_{FC} = GNP_{MP} - \text{Consumption of Fixed Capital} - \text{Indirect Taxes} + \text{Subsidies}$$

Identify the given variables:

- $GNP_{MP} = 12,500$  Crore
- Consumption of Fixed Capital (Depreciation) = 1,200 Crore
- Indirect Wealth Taxes = 950 Crore
- Subsidies = 450 Crore

Step 1: Convert Gross to Net by subtracting depreciation:

$$NNP_{MP} = 12500 - 1200 = 11,300 \text{ Crore}$$

Step 2: Convert Market Price to Factor Cost by adjusting for net indirect taxes:

$$NNP_{FC} = 11300 - 950 + 450$$

$$NNP_{FC} = 10350 + 450 = 10,800 \text{ Crore}$$

The exact valuation of the National Income ( $NNP_{FC}$ ) is 10,800 Crore.

**Final Answer:** 10,800 Crore

**Answer: (A)**

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Q10.

**Solution**

**Concept:** An Inverted Duty Structure occurs when import tariffs on raw materials and intermediate components are higher than the customs duties levied on finished manufactured products. This imbalance hurts domestic manufacturers by raising input costs, which is why specialized review task forces are appointed to reform and balance tariff rates.

**Solution:** The economic task force that introduced the structural parameters for reforming the Inverted Duty Structure was the Kelkar Task Force. This expert panel analyzed how the existing customs tariff rules hurt domestic production under programs like "Make in India." The committee showed that charging higher import duties on raw materials than on finished goods discouraged local value addition and led companies to import completed products instead. The Kelkar Task Force's recommendations guided subsequent fiscal budgets to lower customs duties on intermediate components and raw metals, making domestic manufacturing more competitive.

**Final Answer:** Kelkar Task Force

**Answer:** (C)

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Q11.

**Solution**

**Concept:** The Ministry of Micro, Small, and Medium Enterprises (MSME) uses an integrated classification framework that applies equal investment and annual turnover ceilings to both manufacturing and service companies. This combined system ensures that growing small businesses keep their priority credit lines and regulatory benefits.

**Solution:** Under the statutory classification framework of the Ministry of MSME, a business unit is classified as a 'Micro' enterprise if its investment in plant, machinery, or equipment does not exceed 1 Crore, and its annual net turnover does not exceed 5 Crore. This integrated classification uses a combined rule: an enterprise must stay below both ceilings to remain in the Micro tier. If it exceeds either of these metrics, it moves up into the 'Small' enterprise category. This approach simplifies compliance and prevents companies from limiting their growth just to keep their micro-enterprise status.

**Final Answer:** Investment  $\leq$  1 Crore and Turnover  $\leq$  5 Crore

**Answer:** (A)

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## Q12.

**Solution**

**Concept:** Inflation-indexed bonds protect fixed-income investors from purchasing power losses by linking the underlying asset principal to consumer inflation metrics. When inflation rises, the certificate's face value scales upward by the inflation rate, which automatically increases the nominal value of the fixed coupon payment.

**Solution:** To find the adjusted face value and corresponding coupon payment on the inflation-linked certificate, we process the variables step by step:

Given initial values:

- Initial Face Value = 50,000
- Fixed Annual Coupon Yield = 3%
- Cumulative Consumer Price Inflation Rate = 8%

Step 1: Calculate the updated Face Value by adding the 8% inflation adjustment to the initial principal:

$$\text{Updated Face Value} = \text{Initial Face Value} \times (1 + \text{Inflation Rate})$$

$$\text{Updated Face Value} = 50000 \times (1 + 0.08) = 50000 \times 1.08 = 54,000$$

Step 2: Calculate the updated nominal Coupon Payment by applying the fixed 3% yield to the updated inflation-adjusted face value:

$$\text{Coupon Payment} = \text{Updated Face Value} \times \text{Fixed Coupon Yield}$$

$$\text{Coupon Payment} = 54000 \times 0.03 = 1,620$$

As a result of the inflation adjustment, the updated face value becomes 54,000 and the corresponding nominal annual coupon payment increases to 1,620.

**Final Answer:** Face Value: 54,000; Coupon: 1,620

**Answer:** (C)

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Q13.

**Solution**

**Concept:** The Standing Deposit Facility (SDF) is a liquidity management tool that allows central banks to absorb excess cash from the commercial banking system. Unlike standard reverse repo operations, the SDF does not require the central bank to provide government bonds as collateral, which avoids balance sheet limitations during periods of high liquidity.

**Solution:** The Standing Deposit Facility (SDF) operates under a unique rule: it allows commercial banks to park overnight liquidity with the RBI without requiring the central bank to provide collateralized government securities in return. In standard Reverse Repo transactions, the RBI must hand over government bonds from its portfolio to back the cash it absorbs, which can limit operations if its bond supply runs low. The uncollateralized design of the SDF gives the RBI an institutional mechanism to absorb large waves of excess liquidity—such as during major capital inflows or currency returns—without running into collateral limits, helping to stabilize the overnight call money rate.

**Final Answer:** Banks park overnight surplus funds with RBI without collateral

**Answer: (B)**

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Q14.

**Solution**

**Concept:** Common Equity Tier 1 (CET1) capital represents a bank's highest-quality, core loss-absorbing equity, consisting primarily of common stock and retained earnings. Under global Basel III safety standards, banks must hold a minimum CET1 ratio relative to their risk-weighted assets to absorb unexpected financial shocks and remain solvent.

**Solution:** Under the systemic safety provisions mandated by Basel III capital management standards, a commercial banking institution must maintain a strict minimum Common Equity Tier 1 (CET1) capital ratio of 4.5% of its total Risk-Weighted Assets (RWAs). This core ratio represents the highest-quality, first-line-of-defense capital (retained earnings and equity capital) that a bank must hold on its balance sheet, exclusive of mandatory capital buffers. When including the additional 2.5% Capital Conservation Buffer (CCB), the total operational CET1 requirement increases to 7.0%, but the standalone minimum legal threshold remains 4.5%.

**Final Answer:** 4.5%

**Answer: (A)**

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Q15.

**Solution**

**Concept:** Forward foreign exchange contracts are over-the-counter (*OTC*) financial derivatives that lock in an exchange rate for a future currency transaction. Because these customized agreements are settled directly between two counterparties rather than on a public exchange, they do not require standardized daily margin clearing.

**Solution:** A specialized, non-standard over-the-counter financial contract that obligates an asset manager to purchase or sell a specific volume of a foreign currency at a predetermined exchange rate on a fixed future date, but lacks continuous secondary exchange margin clearing, is structurally classified as a Forward Foreign Exchange Contract. Unlike exchange-traded currency futures, forwards are customized, bilateral agreements negotiated directly between two financial institutions. They are tailored to match specific settlement dates and transaction sizes, meaning they carry higher counterparty default risk because they skip the daily mark-to-market margin clearings managed by centralized clearinghouses.

**Final Answer:** Forward Foreign Exchange Contract

**Answer: (B)**

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Q16.

**Solution**

**Concept:** Corporate acquisitions in the software sector allow major networking and security infrastructure groups to integrate specialized data analytics systems. Combining enterprise observability software with core hardware lines helps technology firms offer comprehensive, secure cloud monitoring platforms.

**Solution:** Cisco Systems, Inc. completed the definitive multi-billion dollar corporate acquisition of the specialized data infrastructure and observability enterprise Splunk. This transaction stands as one of the largest software consolidations in corporate tech history. Splunk specializes in data analytics, log management, and cybersecurity monitoring tools. By integrating Splunk's software capabilities into its core networking and security hardware lines, Cisco created a unified enterprise visibility platform. This allows corporate IT departments to monitor systems, analyze data logs, and detect cyber threats in real time across hybrid cloud networks.

**Final Answer:** Cisco Systems, Inc.

**Answer: (A)**

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Q17.

**Solution**

**Concept:** Corporate integration within the food commerce and quick-service restaurant (QSR) sectors allows food-tech platforms to diversify their product lines. Acquiring premium coffee networks and artisanal brands helps digital commerce operators gain direct access to offline retail storefronts and specialized consumer groups.

**Solution:** The premium coffee network 'Blue Tokai' was integrated into the corporate portfolio of the quick-service food tech segment via investments and strategic scaling by Sukhmani and food commerce matrices like Jubilant FoodWorks Limited. Jubilant FoodWorks, which manages major brands like Domino's Pizza across South Asia, acquired a significant equity stake in Blue Tokai Coffee Roasters to anchor its presence in India's fast-growing specialty coffee market. This integration helps Blue Tokai expand its physical café footprint and pilot new retail formats while utilizing Jubilant's supply chain network and digital ordering platforms to scale up operations.

**Final Answer:** Jubilant FoodWorks Limited

**Answer:** (C)

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Q18.

**Solution**

**Concept:** Brand acquisitions in the fast-moving consumer goods (FMCG) sector allow consumer groups to expand their personal care portfolios. Taking ownership of established personal grooming and deodorant lines helps consumer goods firms enter new retail categories, streamline distribution channels, and increase revenue margins.

**Solution:** Godrej Consumer Products Limited (GCPL) successfully acquired complete corporate ownership of the iconic personal care and grooming asset brands 'Park Avenue' and 'Premium' from Raymond Consumer Care Limited. This acquisition brought Raymond's consumer care business, including its deodorant formulas, hair care products, and grooming lines, under GCPL's management. The acquisition allowed GCPL to expand its presence in the premium men's grooming and personal deodorant segments, utilizing its distribution network to increase the market reach of these established consumer brands across regional and digital retail channels.

**Final Answer:** Godrej Consumer Products Limited (GCPL)

**Answer:** (A)

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Q19.

**Solution**

**Concept:** Antitrust laws prevent dominant technology groups from using restrictive application store policies to block marketplace competition. Forcing third-party developers to use exclusive proprietary billing tools or charging high in-app commissions can trigger regulatory fines and require changes to smartphone operating ecosystems.

**Solution:** The global antitrust enforcement actions and legal rulings targeted Apple Inc. for allegedly maintaining an anticompetitive digital monopoly through its restrictive software application billing architectures on its iOS smartphone ecosystem. Regulatory watchdogs across the United States, the European Union, and Asian markets investigated Apple's App Store policies. The investigations focused on whether forcing third-party developers to exclusively use Apple's in-app purchasing mechanism, combined with its 15% to 30% commission structure, unfairly locked out competing payment services, inflated consumer pricing, and created an anticompetitive gateway on mobile hardware.

**Final Answer:**

**Answer:** (A)

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Q20.

**Solution**

**Concept:** The Goods and Services Tax (GST) Council is a constitutional federal forum set up to manage India's indirect tax framework. It brings together the Union Finance Minister and representatives from all state governments to make joint decisions on tax rates, exemption rules, and administrative guidelines, reinforcing cooperative federalism.

**Solution:** The Goods and Services Tax Council (GST Council) is structurally established and authorized under Article 279A of the Constitution of India. Inserted by the 101<sup>st</sup> Constitutional Amendment Act in 2016, this article empowers the President of India to constitute the joint federal council. Chaired by the Union Finance Minister and including state finance ministers as members, the GST Council serves as the central governing body responsible for making recommendations on tax rate adjustments, threshold limits, compliance rules, and tax exemptions across the unified national indirect tax architecture.

**Final Answer:**

**Answer:** (C)

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Q21.

**Solution**

**Concept:** Colonial land revenue systems transformed traditional agrarian property rights into fixed revenue channels for the state. Declaring local tax collectors as hereditary landowners created a predictable tax stream for the administration while placing heavy financial pressure on tenant farmers.

**Solution:** The Permanent Settlement land revenue framework was formally enacted across the Bengal Presidency in 1793 under the direct administration of Governor-General Lord Cornwallis. This policy changed rural land ownership rules by recognizing local tax collectors (Zamindars) as absolute landlords. In return, the Zamindars were required to pay a fixed revenue sum to the British East India Company, an amount that was fixed permanently and could not be altered in the future. While this policy secured a steady income stream for the colonial government and built political support among landowners, it led to heavy exploitation and tenant evictions among rural peasants across eastern India.

**Final Answer:** Lord Cornwallis

**Answer: (B)**

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Q22.

**Solution**

**Concept:** High-altitude mountain passes serve as strategic transport corridors through rugged mountain ranges, connecting international border areas and enabling local trade. These passes are often cut by regional river networks, making them critical entry points that require infrastructure maintenance to support border security and trade.

**Solution:** The high-altitude strategic mountain pass 'Shipki La' is located within the borders of Himachal Pradesh, in the Kinnaur district. Situated at an elevation of roughly 3,925 meters, this pass serves as a historical gateway and border trading post between India and Tibet. The Sutlej River cuts through this mountain gorge to enter India. Alongside Nathu La in Sikkim and Lipulekh in Uttarakhand, Shipki La is recognized as an official bilateral border trade link between India and China, handling local commerce and serving as a key geographic reference point in the Himalayas.

**Final Answer:** Himachal Pradesh

**Answer: (A)**

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Q23.

**Solution**

**Concept:** The Preamble outlines the core philosophical values and objectives of the Indian Constitution. The text can be updated by parliament through constitutional amendments under Article 368, allowing the legislature to formally add terms that reinforce national identity and social policy goals.

**Solution:** The Parliament of India inserted the words 'Socialist', 'Secular', and 'Integrity' into the text of the Preamble through the 42<sup>nd</sup> Constitutional Amendment Act, enacted in 1976 during the national emergency under the Indira Gandhi administration. Often referred to as a "Mini-Constitution" due to the wide-ranging changes it made to various constitutional provisions, this amendment updated the description of India from a "Sovereign Democratic Republic" to a "Sovereign, Socialist, Secular, Democratic Republic." It also added the term "Integrity" to the phrase "Unity of the Nation" to emphasize national integration.

**Final Answer:** 42<sup>nd</sup> Constitutional Amendment Act

**Answer:** (C)

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Q24.

**Solution**

**Concept:** The General Agreement on Trade in Services (GATS) is a multilateral treaty that sets international rules for cross-border service trade. Operating under a global trade body, GATS divides service delivery into four clear models—ranging from cross-border digital data transmission to the temporary physical movement of professionals—to manage trade barriers and settle disputes between nations.

**Solution:** The General Agreement on Trade in Services (GATS) structure operates under the statutory oversight of the World Trade Organization (WTO). Created during the Uruguay Round of trade talks, GATS came into effect in 1995 to extend the multilateral trading system to the services sector, matching the rules that the GATT provided for merchandise goods. GATS classifies international service trade into four distinct operational "Modes of Supply": \* **Mode 1 (Cross-border supply):** Services flow across borders, like digital data or call centers. \* **Mode 2 (Consumption abroad):** A consumer travels to another nation, like international tourism or study. \* **Mode 3 (Commercial presence):** A service firm sets up a foreign branch or subsidiary. \* **Mode 4 (Presence of natural persons):** A professional travels abroad temporarily to deliver a service. The WTO oversees commitments made under these modes and resolves related trade disputes.

**Final Answer:** World Trade Organization (WTO)

**Answer:** (B)

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Q25.

**Solution**

**Concept:** International development associations function as concessional lending arms within global financial groups to support low-income countries. By offering long-term, interest-free credits and development grants, these institutions help poor nations finance basic healthcare, education, clean water, and infrastructure projects.

**Solution:** The International Development Association (IDA) is an integral organ of the World Bank Group (WBG). Established in 1960, the IDA serves as the World Bank's concessional lending arm, complementing the International Bank for Reconstruction and Development (IBRD), which focuses on middle-income developing countries. The IDA provides interest-free "soft loans" (known as credits) with long repayment periods of 30 to 40 years, alongside direct structural development grants to the world's poorest sovereign states. This funding supports essential public investments in primary education, basic healthcare services, clean water infrastructure, and environmental preservation programs.

**Final Answer:** World Bank Group (WBG)

**Answer: (B)**

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Q26.

**Solution**

**Concept:** The Jnanpith Award is India's highest literary honor, presented annually by the Bharatiya Jnanpith to celebrate an author's lifetime contribution to Indian literature. The award recognizes exceptional poetry, fiction, or drama written in any of the languages listed in the Eighth Schedule of the Constitution, honoring regional literary heritages.

**Solution:** The 61<sup>st</sup> Jnanpith Award (for the year 2025) was awarded to the renowned Tamil poet, lyricist, and writer R. Vairamuthu. Announced by the selection committee in early 2026, this honor recognizes his outstanding contributions to modern Tamil literature over a career spanning more than four decades. Vairamuthu has written over 37 books, including celebrated works like *Kallikattu Ithikasam* (which won the Sahitya Akademi Award in 2003) and *Karuvachi Kaaviyam*. He is the third Tamil writer to receive the Jnanpith Award, following Akilan and Jayakanthan, and the first to be recognized primarily for his poetic works and literary lyrics.

**Final Answer:** Vairamuthu

**Answer: (B)**

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Q27.

**Solution**

**Concept:** The Academy Awards recognize outstanding achievements in cinema, with the 'Best Picture' Oscar standing as the highest honor for a film project. This top prize celebrates movies that successfully balance artistic direction and narrative depth, earning praise from the Academy of Motion Picture Arts and Sciences.

**Solution:** At the 98<sup>th</sup> Academy Awards ceremony celebrated in March 2026, the cinematic project *One Battle After Another*, directed by Paul Thomas Anderson, won the Oscar for Best Picture. The large-scale political thriller emerged as the biggest winner of the evening, taking home a total of six Oscars, including Best Director and Best Adapted Screenplay. The film was highly praised by critics and the Academy for its complex screenplay and artistic direction, leading the awards alongside Ryan Coogler's vampire blockbuster *Sinners* and Guillermo del Toro's technical adaptation of *Frankenstein*.

**Final Answer:** One Battle After Another

**Answer: (B)**

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Q28.

**Solution**

**Concept:** The Indian Premier League (IPL) playoff qualification system tracks team performances using a centralized points table during the round-robin league phase. The franchise that accumulates enough early victories to mathematically guarantee a top-four finish becomes the first to lock in a playoff spot.

**Solution:** During the league phase of the Indian Premier League (IPL) 2026 tournament, Royal Challengers Bengaluru (RCB) became the first franchise team to secure a definitive playoff spot. RCB locked in its position in the top four of the points table after a commanding 23-run victory against the Punjab Kings at the HPCA Stadium in Dharamsala. This win gave the franchise the necessary points baseline to guarantee its advancement to the knockout stage of the tournament ahead of the other competing teams.

**Final Answer:** Royal Challengers Bengaluru (RCB)

**Answer: (C)**

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Q29.

**Solution**

**Concept:** Next-generation meteorological satellites are deployed by space agencies to collect advanced climate warning data. These specialized platforms carry advanced infrared and imaging payloads to track atmospheric developments, ocean surface temperatures, and extreme weather patterns like cyclones in real time.

**Solution:** The specialized space asset launched by the Indian Space Research Organisation (ISRO) to improve climate tracking data is INSAT-3DS. Deployed using the Geosynchronous Satellite Launch Vehicle (GSLV-F14), INSAT-3DS is a dedicated, next-generation meteorological satellite funded by the Ministry of Earth Sciences. The platform carries advanced imager and sounder payloads designed to monitor the Earth's surface, track oceanic changes, provide vertical profiles of atmospheric variables, and improve early warning data arrays for cyclones, severe storms, and extreme monsoon weather patterns across the Indian subcontinent.

**Final Answer:**

**Answer: (A)**

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Q30.

**Solution**

**Concept:** Semiconductor engineering transitions to advanced transistor microarchitectures to overcome the physical scaling limits of older chips. Replacing channel designs that are surrounded on three sides with architectures enclosed on all four sides improves gate control and reduces current leakage at sub-3nm nodes.

**Solution:** In advanced computing microarchitecture engineering, the transition toward 'Gate-All-Around' (GAA) transistor designs was commercialized globally to supersede the long-standing FinFET (Fin Field-Effect Transistor) semiconductor framework. In standard FinFET architectures, the conducting channel forms a vertical fin surrounded by the gate on three sides. As microprocessors scaled down to sub-3 nanometer nodes, FinFETs ran into physical limits, including severe current leakage and reduced gate control. The GAA microarchitecture solves this by using thin, stacked horizontal nanosheets where the gate fully surrounds the channel on all four sides. This structural upgrade provides better electrostatic control, speeds up transistor switching, and reduces power consumption in high-performance computing and artificial intelligence microprocessors.

**Final Answer:**

**Answer: (B)**

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**Answer Key**

Q	Ans	Q	Ans	Q	Ans	Q	Ans	Q	Ans
1	A	2	B	3	C	4	A	5	B
6	A	7	B	8	C	9	A	10	C
11	A	12	C	13	B	14	A	15	B
16	A	17	C	18	A	19	A	20	C
21	B	22	A	23	C	24	B	25	B
26	B	27	B	28	C	29	A	30	B

