

Current Affairs for MBA Interview 2026

50 Must-Prepare Questions with Model Answer Approaches (Economy, Budget, GST, Global Affairs, Technology & Business) | By CatMock

A. Indian Economy & RBI Policy

Q. What is the current RBI repo rate and stance in 2026?

A. The repo rate has been held at 5.25% with a neutral policy stance through 2026, as the RBI balances growth support against inflation risks.

Q. Why has the RBI kept the repo rate unchanged for multiple meetings?

A. To avoid stoking inflation (elevated due to crude oil and global supply pressures) while not choking off credit growth needed to sustain investment.

Q. What is India's projected GDP growth rate for FY 2026-27?

A. Around 6.6-6.7%, supported by private consumption and government capital expenditure, though monsoon and global risks remain watch points.

Q. How does a stable repo rate affect home loan EMIs?

A. EMIs stay largely unchanged since lending rates linked to the repo rate don't move; this supports household budgets during high-inflation periods.

Q. What caused pressure on the Indian rupee in 2026?

A. A mix of elevated crude oil import costs, foreign portfolio outflows, and global risk-off sentiment linked to geopolitical tensions.

Q. What steps has the RBI taken to attract foreign capital?

A. Measures included capital gains tax exemptions for certain foreign investors, relaxed investment limits in government securities, and concessional forex swap facilities for external borrowings.

Q. Why does elevated crude oil price worry Indian policymakers?

A. India imports a large share of its crude oil needs, so higher prices raise the import bill, pressure the rupee, and feed into overall inflation.

Q. What is 'stagflation' and why was it discussed in 2026?

A. Stagflation refers to slowing growth combined with high inflation. It was discussed because the RBI simultaneously cut growth forecasts and raised inflation projections.

B. Union Budget 2026-27

Q. What is the central theme of the Union Budget 2026-27?

A. 'Yuva Shakti'-driven growth — converting India's demographic dividend into productive capacity through skilling, employment and enterprise creation.

Q. What are the 'Three Kartavya' mentioned in Budget 2026-27?

A. Accelerating economic growth through productivity and resilience, building human capital and institutional capacity, and advancing inclusive access to opportunity across regions.

Q. What is India Semiconductor Mission 2.0?

A. A continuation of India's push for domestic chip design and manufacturing self-reliance, supported by a roughly ₹40,000 crore Electronics Components Manufacturing Scheme.

Q. When did the new Income-tax Act, 2025 come into force?

A. It came into effect from 1 April 2026, aiming to simplify India's direct tax framework.

Q. What is the significance of the India-EU Free Trade Agreement?

A. It is a major 2026 trade milestone expected to widen market access for Indian exporters, particularly in textiles, pharmaceuticals and engineering goods.

Q. Why is the Budget's shift toward capital expenditure significant?

A. Capital expenditure has a stronger economic multiplier than revenue expenditure, supporting infrastructure, jobs and private investment over the long term.

Q. What is the National Fibre Scheme announced for the textile sector?

A. A Budget initiative aimed at strengthening India's textile value chain from raw fibre to finished goods, alongside cluster modernisation and skilling support.

C. GST 2.0 and Tax Reforms

Q. What is GST 2.0?

A. A reform that rationalised GST tax slabs to simplify compliance for businesses and make essential goods more affordable for consumers.

Q. Who benefits most from GST 2.0?

A. Consumers and small businesses benefit through simplified compliance and, in many categories, lower effective tax rates; sectors like FMCG and consumer durables are widely seen as key beneficiaries.

Q. What is a possible downside of GST 2.0?

A. States may see short-term revenue adjustments as tax rates are rationalised, requiring careful fiscal management during the transition.

D. Global Affairs & Geopolitics

Q. What is the current status of the Russia-Ukraine conflict in 2026?

A. The war remains a prolonged conflict, with periodic signals of possible negotiation, though a lasting resolution had not been reached as of mid-2026.

Q. How does the Russia-Ukraine war affect the Indian economy?

A. It contributes to volatility in global crude oil and fertiliser prices, indirectly affecting India's inflation and import costs.

Q. How have Middle East tensions affected India in 2026?

A. Periods of regional instability pushed crude oil prices higher during parts of 2026, adding pressure to India's import bill and inflation outlook.

Q. What is the current state of US-China trade tensions?

A. Tariff and trade-policy friction between the two economies continues, encouraging global supply chains to diversify — an opportunity India has sought to capture.

Q. Why is 'friend-shoring' relevant to India's business environment?

A. As companies diversify manufacturing away from single-country dependence, India has positioned itself as an alternative manufacturing and export base.

E. Business, Startups & Technology

Q. What trend defines India's startup funding environment in 2026?

A. A shift from growth-at-all-costs funding toward profitability-first, sustainable unit economics, with investors more selective than in previous years.

Q. How is AI adoption reshaping Indian businesses in 2026?

A. AI is being adopted across customer service, hiring and product development, raising both productivity gains and concerns about entry-level job displacement.

Q. What is a balanced view on AI replacing entry-level jobs?

A. AI improves efficiency and can augment routine tasks, but reskilling and human oversight remain essential — a purely 'AI will replace everyone' view is considered simplistic in interviews.

Q. Why is UPI often cited as an Indian business success story?

A. It is a widely used example of Indian digital public infrastructure innovation, with growing global interest and adoption discussions in other countries.

Q. What is driving India's EV and clean mobility push in 2026?

A. Continued government policy support, charging infrastructure expansion, and battery/component manufacturing incentives aimed at reducing oil import dependence.

F. Government Schemes & Policy

Q. What is the core objective of the Make in India / PLI schemes?

A. To boost domestic manufacturing competitiveness and reduce India's dependence on imports across strategic sectors like electronics and pharma.

Q. What does the Atmanirbhar Bharat initiative aim to achieve?

A. Strengthening domestic supply chains and self-reliance in critical sectors such as semiconductors, defence and electronics manufacturing.

Q. How does Skill India / Samarth support the economy?

A. By improving employability through vocational and sector-specific skilling, helping convert India's demographic dividend into a productive workforce.

Q. Why are New Labour Codes significant for MBA aspirants?

A. Their implementation is expected to drive formalisation of jobs, improve labour mobility, and enhance productivity across manufacturing and services.

Tip: Don't memorise these answers word-for-word. Use the Issue-Opinion-Application (IOA) framework to rebuild each answer in your own words during the interview. For daily current affairs and aptitude practice, visit www.catmock.com/daily-capsule and www.catmock.com/blog.