

INDUSTRIES, MANUFACTURING & SERVICE SECTORS BASED INDIAN ECONOMY MCQ PRACTICE QUESTIONS AND ANSWERS PDF WITH EXPLANATION

For All Competitive SSC, Bank, IBPS, UPSC, Railway, IT & Other Govt. Exams

Created By [Careericons](#) Team

Q1. Which of the following statements are true regarding **Universal Service Obligation Fund (USOF)**?

- i. This fund is under Dept. of Telecommunication
- ii. This fund is used to provide ICT services in rural and remote areas
- iii. This fund is created out of the budgetary resources of Govt. of India

Select the **correct** answer using the code given below:

- a) (i) only
 - b) (iii) only
 - c) (i) & (ii) only
 - d) (ii) & (iii) only
-

Q2. What is the **difference between** Millenium Development Goals and Sustainable Development Goals?

- Millennium Development Goals (MDGs) were not developed through an intergovernmental process, while SDG was.
- All the MDGs are applicable only to the developing countries except for MDG 8 which relates to aid and finance.

Options :

- a) Both 1 and 2
 - b) 1 only
 - c) 2 only
 - d) None of these
-

Q3. Credit Rating Agencies are regulated by which ministry/ department/ agency?

- a) Reserve Bank of India
- b) Ministry of Corporate Affairs

- c) Securities and Exchange Board of India
 - d) Ministry of Finance
-

Q4. Consider the following statements:

- Lack of adequate entrepreneurship and leadership in business.
- Lack of saving to invest.
- Lack of technology, skills and infrastructure.
- Limited purchasing power among the larger masses.

Which of the above statement(s) are **correct** ?

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

5000+ FREE INDIAN ECONOMY MCQ QUESTION BANK FOR ALL SSC, UPSC, BANK, RAILWAY EXAMS

[Free Practice MCQs »](#)

[Download More PDF »](#)

[Free Online Quiz »](#)

Q5. Sunrise industries are industries :

- a) Which are small scale industries
- b) Which are well developed and have ample scope for future development.
- c) Which improve exports performance of the country.
- d) Which have high growth potential and meet future requirements of the economy.

Q6. Which of the following is are **not** “Navaratna” company?

- Shipping Corporation of India Ltd
- Indian Oil Corporation
- Airports Authority of India
- MTNL

Select the answer using following codes :

- a) 1 only

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

Q7. Consider the following statements with respect to India's imports

- i. Share of Gold imports in total merchandise imports has steadily decreased in the last decade
- ii. Share of Petroleum, Oil and Lubricants (POL) in total merchandise imports has steadily increased in the last decade

Select the **correct** answer using the code given below:

- a) (i) only
 - b) Both (i) & (ii)
 - c) (ii) only
 - d) Neither (i) nor (ii)
-

Q8.urgapur steel plant was set up in assistance of

- a) rance
 - b) UK
 - c) Germany
 - d) USA
-

Q9. Which one of the following is **correctly** matched? Industry Status

- a) Coal India Ltd. Mini-Ratna
 - b) SAIL Maharatna
 - c) IOC Navratna
 - d) BHEL Mini-Ratna
-

Q10. Which sector of Indian economy has shown remarkable expansion during the last decade?

- a) Tertiary sector

- b) Primary sector
- c) Secondary sector
- d) Mining sector

Q11. Consider the following statements regarding the "**Common Services Centre (CSC)**":

- i. They are part of the Digital India programme
- ii. They are implemented on public-private partnership modal
- iii. They are provided exclusively by the government
- iv. They act as access points for the delivery of various electronic services

Select the **correct** answer using the code given below:

- a) (i) & (ii) only
- b) (iii) & (iv) only
- c) (i) & (iii) only
- d) (i), (ii) & (iv) only

Q12. When development in economy takes place, the share of tertiary sector in national income

- a) keeps on increasing
- b) first falls and then rises
- c) first rises and then falls
- d) remains constant

1000+ FREE INDUSTRIES, MANUFACTURING & SERVICE SECTORS BASED QUESTIONS AND ANSWERS FOR ALL COMPETITIVE EXAMS

[Free Practice MCQs »](#)

[Download More PDF »](#)

[Free Online Quiz »](#)

Q13. Maruti views Tata Motors as a prominent competitor but does **not** view Volvo as a competitor. This type of competition in the market is known as

- a) Production flow competition
- b) Cost control competition

- c) Product competition
 - d) None of these
-

Q14. Which one of the following is **not correctly** matched?

- a) Tata Steel : Chorus Group
 - b) Jet Airways : Air Sahara
 - c) Hindalco industries : Novelis
 - d) Kingfisher Airlines : MDR Airlines
-

Q15. Which of the following statements are **correct** regarding the "SMILE" scheme:

- a) It is linked to providing credit to MSME enterprises under Make in India
 - b) It is a scheme to provide support to small and marginal farmers for allied activities
 - c) It is linked to providing financial support by Govt. of India for women and SC/ST entrepreneurs
 - d) None of the above
-

[Read More industries manufacturing service sectors Question and Answers »](#)

Answers to the above questions :

Q1. Answer: (c)

Apart from the higher capital cost of providing telecom services in rural and remote areas, these areas also generate lower revenue due to lower population density, low income and lack of commercial activity.

Thus, normal market forces alone would not direct the telecom sector to adequately serve backward and rural areas. Keeping in mind the inadequacy of the market mechanism to serve rural and inaccessible areas on one hand and the importance of providing vital telecom connectivity on the other, most countries of the world have put in place policies to provide Universal Access and Universal Service to ICT.

The New Telecom Policy (of India)- 1999 (NTP'99) provided that the resources for meeting the Universal Service Obligation (USO) would be raised through a 'Universal Access Levy

(UAL)', which would be a percentage of the revenue earned by the telecom operators under various licenses.

The Universal Service Support Policy came into effect from 01.04.2002. The Indian Telegraph (Amendment) Act, 2003 giving statutory status to the Universal Service Obligation Fund (USOF) was passed by both Houses of Parliament in December 2003.

USOF is under the Dept. of Telecommunication, Ministry of Communication and is being used to connect villages in rural areas under the BharatNet project. USOF provides widespread and non-discriminatory access to quality ICT services at affordable prices to people in rural and remote areas.

It provides an effective and powerful linkage to the hinterland thereby mainstreaming the population of rural and remote parts of the country. It ensures that universal services are provided in an economically efficient manner.

It also ensures that by developing hitherto unconnected areas, the benefits of inclusive growth are reaped by our nation, bringing in its wake rapid socio-economic development and improved standards of living.

Q2. Answer: (a)

The Millenium Development Goals focus on developing countries.

There is one exception :

MDG number 8 on developing a global partnership for development, which includes commitments for developed countries to help developing countries.

An important difference is that the sustainable Development Goals are meant to apply to all countries, including developed countries.

Another difference is that the sustainable Development Goals are explicitly meant to include the three dimensions of sustainable development economic, social and environmental.

Q3. Answer: (c)

Credit Rating Agencies (CRAs) are regulated by SEBI.

In light of the COVID-19 crisis, SEBI directed CRAs that, if the default by the companies (which are listed on the exchange and which has been provided Credit Rating by any of the CRAs) is solely due to COVID-19 LOCKDOWN then the CRAs should not recognize it as a DEFAULT and should not degrade their rating.

The definition of NPA is given by RBI for financial institutions regulated by RBI like banks and NBFCs. But some (financial institutions) like Mutual Funds, Exchange Traded Funds (ETFs), are also regulated by SEBI for which NPA definition has been given by SEBI.

5000+ INDIAN ECONOMY MCQ TOPIC WISE MCQ QUESTION BANK WITH SOLVED ANSWERS & FREE PDF

INTRODUCTION TO INDIAN ECONOMY

PLANNING, ECONOMIC DEVELOPMENT & FIVE YEAR PLANS

NATIONAL INCOME & HUMAN DEVELOPMENT INDEX

AGRICULTURE SECTOR, SUBSIDY AND FOOD PROCESSING

INDUSTRIES, MANUFACTURING & SERVICE SECTORS

INCLUSIVE GROWTH, SUSTAINABLE DEVELOPMENT AND EMPLOYMENT

POVERTY & UNEMPLOYMENT

INTRODUCTION TO MICRO ECONOMICS

INTRODUCTION TO MACRO ECONOMICS

MACRO FUNDAMENTALS, GDP, INVESTMENT, GROWTH

DEMAND & SUPPLY, PROFIT LOSS, INFLATION & PRICE INDEX

FISCAL POLICY, PUBLIC FINANCE AND MONETARY POLICY

MONEY SUPPLY, BANKING AND FINANCIAL INSTITUTIONS

TAXES TYPES, METHODS & BUDGETING PROCESS

BANKING, SECURITY MARKET & INSURANCE

Q4. Answer: (d)

Q5. Answer: (d)

Sunrise industries are industries which have high growth potential and meet future requirements of the economy.

Q6. Answer: (d)

Indian Oil Corporation is one of the seven Maharatna status companies of India.

Maharatna PSU has an investment ceiling from Rs 1,000 to Rs. 5,000 crores and can invest up to 15% of their net worth in a project.

AAI is a mini Ratna The Navaratna companies could invest up to Rs. 1,000 crores without explicit government approval.

Q7. Answer: (d)

Share of Gold imports in total merchandise imports is around 6.4%.

Share of POL imports in total merchandise imports is round 26%.

But both shares have fluctuated.

Q8. Answer: (b)

Durgapur Steel Plant, SAIL, was set up with the British collaboration in the late fifties with an initial capacity of one million tonnes of crude steel per annum.

Q9. Answer: (b)

All comes under the category of Maharatna.

Q10. Answer: (a)

During the last decade, the tertiary sector has shown remarkable expansion.

In the last decade, India has expanded maximum in providing services like IT, Telecommunication, Healthcare, Tourism which is contributing around 60% to GDP.

Primary Sectors - Primary activities are those which are based on natural resources. It is called the Agriculture sector. Examples - Types of crops, livestock rearing dairy farming, fishing.

Secondary Sectors - Secondary sector follows primary activities in which the natural products are changed to manufacture. It is called the Industrial sector.

Tertiary Sectors - Activities that assist the development of primary and secondary sectors are carried out. Generally, services are involved like doctors, teachers, lawyers, administrators. New services like IT, software company etc. have become important Tertiary activities.

Q11. Answer: (d)

The concept of the Common Services Centre (CSCs) was approved in 2006 as part of the National e-Governance Plan. CSCs are set up in a public-private partnership model, with a designated state agency being a franchisor of sorts for village-level entrepreneurs (VLEs) to set up centres.

VLEs must meet a set of minimum requirements. They must have passed a matriculation-level examination by a recognized board, be fluent in reading and writing the local language, and make arrangements for infrastructure. Presently there are close to 2,00,000 CSCs across India.

CSCs help people apply online for a range of services — passport registration, PAN cards and Aadhaar cards, banking correspondents, and a whole host of other certificates, and without them, people will have to visit a government office. CSC operators scan documents and upload them through a portal to the relevant government office that will then send back a completed certificate or card. They are like cyber cafes, except they connect only to Digital India.

CSCs are a cornerstone of the Digital India programme. They are the access points for the delivery of various electronic services to villages in India, thereby contributing to a digitally and financially inclusive society. CSCs are more than service delivery points in rural India. They are positioned as change agents, promoting rural entrepreneurship and building rural capacities and livelihoods. They are enablers of community participation and collective action for engendering social change through a bottom-up approach with a key focus on the rural citizen.

CSCs enable the three vision areas of the Digital India programme:

1. Digital Infrastructure as a core utility to every citizen
2. Governance and services on demand
3. Digital empowerment of citizens

Over the past three or four years, a huge number of these centres have added services like banking and insurance to their offerings.

In a sense, they are an organic response to the growth in demand for digitized government services that a piece of static State machinery cannot keep up with and the free market has seemingly ignored.

Q12. Answer: (a)

When development in the economy takes place, the share of the tertiary sector in national income keeps on increasing because the tertiary sector is involved in services within and outside the country.

With development the disposable income of individuals income results in the growth of banking, trading, communication etc., both domestically and internationally.

Q13. Answer: (c)

Maruti views Tata motors as a prominent competitor but does not view Volvo as a competitor. This type of competition in the market is known as product competition because the companies are competing on the same and similar products.

Q14. Answer: (d)

Hindalco industries : Novelis

Tata Steel : Chorus group

Jet airways : Air Sahara

Kingfisher Airlines: MDR Airlines Kingfisher Airlines is not correctly matched with MDR Airlines.

Q15. Answer: (a)

SIDBI Make in India Soft Loan Fund for Micro, Small & Medium Enterprises (SMILE) scheme:

The objective of the Scheme is to provide soft loans (mainly long-term loans) on relatively soft terms to MSMEs to meet the required debt-equity ratio for the establishment of an MSME as also for pursuing opportunities for growth for existing MSMEs. The focus is on all the identified 25 Make in India sectors or other sectors as may be added, in the Make in India Programme.

Emphasis will be on covering new enterprises in the manufacturing as well as services sector. Existing enterprises will also be covered which are undertaking expansion, to take advantage of new emerging opportunities, as also undertaking modernization, technology up-gradation or other projects for growing their business.

On our site **Careerions.com**, You can find all the content you need to prepare for any kind of exam like. **Verbal Reasoning, Non-Verbal Reasoning, Aptitude, English, Computer, History, Polity, Economy, Geography, General Science, General Awareness** & So on. Make use of our expert-curated content to get an edge over your competition and prepare for your exams effectively.

Practice with our **Free Practice MCQs, Mock Tests Series, Online Quiz** and get an idea of the real exam environment. Keep track of your progress with our detailed performance reports. They are perfect for competitive exam preparation, as well as for brushing up on basic & fundamental knowledge. The questions are updated regularly to keep up with the changing syllabuses.

careericons.com