

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

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Q1. Which one of the following is **not correct** about 'plastic parks'?

- a) These parks will help to develop biodegradable plastics
 - b) To increase competitiveness and investment in plastic sector is one of the objectives
 - c) This is a scheme too assist plastic industries in India
 - d) It emphasises environmentally sustainable growth in plastic sector with cluster development approach
-

Q2. Consider the following statements:

- The first modern steel producing unit was established at Kulti (W. Bengal) in 1874.
- Bhilai Steel Plant was established in 1955 with help of the USSR.
- Rourkela Steel Plant was established with the collaboration of the west Germany.
- Bokaro Steel Plant started taking shape in 1965 and its first Blast Furnace started on 2nd October 1972.

Which of the statements are **correct**?

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

Q3. Which one of the following statement is **incorrect**?

- a) India holds 3rd position in the production of salt in the world.
 - b) India is the second largest manufacturer of cement in the world.
 - c) India ranks 4th in the world in terms of production of ceramic tiles.
 - d) India is the second largest producer of cotton in the world after China.
-

Q4. With the reference to the public sector undertaking in India, consider the following statements :

- Minerals and Metals Trading Corporation of India limited is the largest non-oil importer of the country.
- Project and Equipment Corporation of India Limited is under the ministry of industry.
- One of the objectives of Export Credit Guarantee Corporation of India Limited is to enforce quality control and compulsory pre-shipment inspection of various exportable commodities.

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

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

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Q5. The base year of present Consumer Price Index (CPI) for Urban Non-Manual Employees (CPI— UNME) is—

- a) 1983-84
- b) 1980-81
- c) 1984-85
- d) 1981-82

Q6. Consider the following statements:

- The per capita consumption of plastics in India is the highest in the world.
- The petrochemical industry in India gives a big boost to small scale industries.

Which of the statements given above is/are **correct**?

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

Q7. For which one of the following items, is Tirupur well known as a huge exporter to many parts of the world?

- a) Leather Goods
- b) Knitted Garments
- c) Gems and Jewellery
- d) Handicrafts

Q8. Which statement is **correct** regarding **Industrial Policy 1956**?

- I. The policy of 1956, for the first time, recognized the contribution of small scale industries in the growth of the Indian economy.
- II. It laid stress on rational distribution of national income and effective utilization of resources.
- III. This policy is considered one of the most important industrial policies of India as it decided the nature and scope of the Indian economy till the reforms of 1991.

- a) All the above
- b) II & III
- c) I & II
- d) Only I

Q9. NASSCOM is the organisation of companies of which sector?

- a) Mobile phone service
- b) Automobiles
- c) Media
- d) Information technology

Q10. Consider the following statements: Small-Scale industries are in most cases not as efficient as and competitive as the large scales ones. Yet the government provides preferential treatment and reservation in a range of products to the small firms because small industries

- Provide higher employment on a par unit capital development basis.
- Promote a regional dispersion of industries and economic activities.
- Have promoted better in the export of manufacture products than the large scales one.

- Provides jobs to low skills workers, who otherwise may not find employment avenues elsewhere.

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

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

Q11. Recently foundation stone of a new Rail Coach Factory has been laid at

- a) Rai Bareli
 - b) Saharsa
 - c) Chennai
 - d) Amritsar
-

Q12. HAL is related to manufacturing of

- a) Space missiles
- b) Telecommunication equipments
- c) Aircrafts
- d) War missiles

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Q13. According to the data of Finance Ministry the foreign debt of India in March 2013 was—

- a) 390 Billion Dollar
- b) 190 Billion Dollar
- c) 490 Billion Dollar

d) 290 Billion Dollar

Q14. Which of the following statements are true with reference to **Special Economic Zones (SEZ)**?

- i. SEZ units may import/procure goods and services from the Domestic Tariff Area (DTA) without payment of customs/import duty
- ii. Customs duty is imposed on sale from SEZ to DTA
- iii. SEZ units should be net foreign exchange-earners

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

- a) (i) only
 - b) (iii) only
 - c) (i) & (iii) only
 - d) All of the above
-

Q15. Consider the following statements about the second Five Year Plan :

- Priorities were given in the production of iron and steel and heavy engineering and machine building industries.
- Strengthening the oil exploration and coal in India.

Which of the statements given above are **correct**?

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

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Answers to the above questions :

Q1. Answer: (a)

The plastic park scheme envisages clusters of plastic industry operations including small and medium-sized enterprises and recycling operations.

These parks will provide raw materials, power and land for plastic companies. These parks are expected to generate huge direct and indirect employment.

Q2. Answer: (b)

The first notable attempt in the steel industry in India was made in 1874 when the Bengal Iron Works (BIW) came into being at Kulti, near Asansol in West Bengal.

The Bhilai Steel Plant, located in Bhilai, in the Indian state of Chhattisgarh, was set up with the help of the USSR in 1955.

SAIL Rourkela Steel Plant (RSP), located in Rourkela, Odisha the first integrated steel plant in the public sector in India, was set up with German collaboration with an installed capacity of 1 million tonnes in the 60s. Bokaro Steel Plant is located in the Bokaro district of Jharkhand.

It is the fourth integrated public sector steel plant in India built with Soviet help and its first Blast Furnace started on 2nd October 1972. It is the country's first Swadeshi steel plant, built with maximum indigenous content.

Q3. Answer: (c)

India stands at the 3rd position in the world in terms of the production of ceramic tiles.

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Q4. Answer: (c)

Q5. Answer: (c)

Q6. Answer: (c)

Per capita consumption of polymers products in the country during 2012- 13 was low at just 9.7 kg as compared to 109 kg in the USA, 45 kg in China and 32 kg in Brazil.

Thus India is not the highest consumer. The petrochemical industry in India gives a big boost to the small scale industries is the correct statement.

Q7. Answer: (b)

Tiruppur is the “knitwear capital” of India. It has spurred up the textile industry in India for the past three decades. It contributes to a huge amount of foreign exchange in India. The city exports ` 120 billion worth of goods. Netaji Apparel Park has 53 companies manufacturing knitwear for exports. Each unit will be a model to answer the requirements of international standards in all aspects. In addition to investment of 920 million on infrastructure and factory buildings about 3 billion is being invested on machinery. The NAP presently provides employment to 15,000 people and generates export revenue of ` 15 billion from the apparels produced in it. There are about 3000 sewing units, 1326 knitting units, 730 dyeing units and other ancillary units. Some of the world’s largest retailers including C&A, Switcher SA, Walmart, Primark, Oviessa, Switcher, Polo Ralph Lauren, Diesel, Tommy Hilfiger, M&S, FILA, H&M, Reebok import textiles and clothing from Tiruppur.

Q8. Answer: (a)

The policy of 1956, for the first time, recognized the contribution of small scale industries in the growth of the Indian economy. It laid stress on rational distribution of national income and effective utilization of resources.

This policy is considered one of the most important industrial policies of India as it decided the nature and scope of the Indian economy till the reforms of 1991.

Q9. Answer: (d)

NASSCOM is the organisation of companies of Information Technology.

Q10. Answer: (c)

Q11. Answer: (a)

Recently, the foundation stone of a new Rail Coach Factory has been laid at Rai Bareilly.

The factory will present the eco-friendly side of Indian Railways sporting smokeless chimneys and neutralising effluents from the plant.

As many as 14 types of coaches, including 'AC double-decker day cars' would roll out from the factory.

Q12. Answer: (c)

HAL, the government-owned corporation is primarily involved in the operations of the aerospace industry.

These include manufacturing and assembly of aircraft, navigation and related communication equipment.

Q13. Answer: (a)

India's external debt, as of end-March 2013, was placed at US\$ 390.0 billion showing an increase of USD 44.6 billion or 12.9 per cent over the level at end-March 2012.

The increase in total external debt during financial year 2012-13 was primarily on account of rise in short-term trade credit.

There has been sizeable rise in external commercial borrowings (ECBs) and rupee denominated Nonresident Indian deposits as well.

Q14. Answer: (d)

“Domestic Tariff Area” (DTA) means the whole of India (including the territorial waters and continental shelf) but does not include the areas of the Special Economic Zones (SEZs).

“Special Economic Zone” (SEZ) is a specifically delineated duty-free enclave and shall be deemed to be foreign territory for the purposes of trade operations and duties and tariffs. SEZ units may be set up for the manufacture of goods and rendering of services.

Goods and services going into the SEZ area from DTA shall be treated as exports and goods coming from the SEZ area into DTA shall be treated as if these are being imported.

Some important points related to duties in SEZs:

1. SEZ units may import/procure goods and services from DTA without payment of duty for setting up, operation and maintenance of units in the Zone.
2. SEZ unit may sell goods, including by-products, and services in DTA in accordance with the import policy in force, on payment of applicable (customs etc.) duty.
3. SEZ unit shall be a positive Net Foreign exchange Earner. Net Foreign Exchange Earning (NFE) shall be calculated cumulatively for a period of five years from the commencement of production.

Q15. Answer: (b)

According to the Second Five Year Plan the priorities were given in the production of iron and steel and heavy engineering and also to strengthen the oil exploration and coal.

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