

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. Kuwait's biggest Mobile Telecommunication Company known as Zain has been bought by—

- a) Vodafone
 - b) Bharti Airtel
 - c) Aircel
 - d) Reliance Communication
-

Q2. Consider the following statements about the **Competition Commission of India**.

- Competition Commission of India (CCI) was established with effect from 14th October 2003.
- The goal is to combat the monopoly tendencies and foster the competition among public sector enterprises.
- CCI (Competition Commission of India) consists of a chairperson and 6 members appointed by the central government.

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

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

Q3. What is the major contribution of the Electronics industry to the country?

- a) Improved standard of living
 - b) Maximised wealth formation
 - c) Encouraged employment
 - d) Reduced poverty
-

Q4. In India the public sector is the most dominant in

- a) organized term-ending financial institution
- b) commercial banking
- c) steel production
- d) transport

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Q5. Which statement is **correct** regarding **information technology**?

- I. The IT industry is the biggest private-sector employer in India, and it added 230,000 employees in 2014-15, thus making the total number of jobs in the industry close to 3.5 million.
 - II. The IT sector also accounted for 9.5% of the gross domestic product. The IT industry holds the largest share of total services exports at 38%.
- a) Both I & II
 - b) Only II
 - c) Only I
 - d) None of these

Q6. What do you understand by the term “**Circular Economy**” often seen in news?

- a) It refers to an industrial system that is restorative or regenerative in nature
- b) It refers to a “Closed Economy” that primarily relies on internal trade
- c) It refers to the cyclical booms and recession in an economy
- d) It refers to a system in which there is Cyclical correlation between savings and investment

Q7. What is the approximate share of SSIs in gross industrial value added in the Indian economy?

- a) 5%
 - b) 25%
 - c) 30%
 - d) 40%
-

Q8. Which statement is **correct** regarding the **cotton industry**?

- I. The first Indian modernised cotton mill, located in Kolkata in 1818
- II. The second mill named 'Bombay Spinning and Weaving Co.' was established in 1854 at Bombay by KGN Daber
- III. There were 394 cotton mills in India before the partition

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

Q9. The SEZ Act 2005 which came into effect in February 2006 has certain objectives? In this context consider the following :

- Development of infrastructure facilities
- Promotion of investment from foreign sources.
- Promotion of export of services only.

Which of the above is/are objective of this Act?

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

Q10. Identify the **correct** sequence of the establishment of steel plant in India from the earliest to the latest.

- a) Jamshedpur–Bhilai, Bokaro–Vishakhapatnam
- b) Bhilai, Jamshedpur, Vishakhapatnam, Bokaro

- c) Bokaro–Jamshedpur, Vishakhapatnam, Bhilai
d) Jamshedpur, Bokaro, Bhilai, Vishakhapatnam
-

Q11. Which statement is **correct** regarding **FERA 1973**?

- I. The Foreign Exchange and Regulation Act (FERA) was passed in 1980.
II. This resulted in a tremendous shift in the foreign investment policy of the Government of India.
III. Foreign Investment was allowed in only those industries that were directly into exports.
- a) II & III
b) Only III
c) I & II
d) All the above
-

Q12. Mobile commerce service M Pesa is an initiative of whom among the following?

- Vodafone India
- ICICI Bank
- Airtel
- HDFC

Which among are following codes are **correct**?

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

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Q13. Consider the following statements regarding **multi-brand FDI in retail**:

- i. 51% FDI is allowed in inventory-based model of e-commerce
ii. 51% FDI is allowed in brick and mortar model

- iii. 100% FDI is allowed in all models for food products sourced from Indian farmers or manufactured in India

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

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

Q14. In the context of the present ceiling on investment for categorization of various enterprises as Micro, Small and Medium Manufacturing Enterprises (MSMEs), which of the following statements are **correct**:

- A microenterprise is an enterprise where the investment in equipment does not exceed Rs. 25 lakh.
- A small enterprise is an enterprise where the investment in equipment is more than Rs. 25 lakh but does not exceed Rs. 5 crores.
- A medium enterprise is an enterprise where the investment in equipment is more than Rs. 5 crore but does not exceed Rs. 10 crore.

- a) Only 3
- b) Only 2
- c) Only 1
- d) All of them

Q15. Match the following products with their percentage part that was controlled by the foreigners at the time of independence:

List I	List II
(Product)	(Percentage)
I. Tea	a. 70%
II. Jute	b. 73%
III. Coal	c. 65%
IV. Minerals	d. 90%

Codes: I II III IV

- a) I – c, II – b, III – a, IV - d

b) I – b, II – d, III – a, IV - c

c) I – c, II – d, III – a, IV – b

d) I – a, II – d, III – c, IV - b

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Answers to the above questions :

Q1. Answer: (b)

Bharti Airtel has acquired Zain Telecom's African assets in a \$10.7 billion deal. The acquisition of Zain assets will give the Indian mobile market leader a footprint in 15 African countries.

Q2. Answer: (d)

Competition Commission of India is a body of the government of India responsible for enforcing the Competition Act, 2002 throughout India and to prevent activities that have an adverse effect on competition in India. It was established on 14 October, 2003.

The goal is to combat the monopoly tendencies and foster the competition among public sector enterprises. CCI (Competition Commission of India) consists of a chairperson and 6 members appointed by the central government.

Q3. Answer: (c)

The Electronic industry is responsible for the generation of employment. Bangalore is the hub of the electronic industry in the country and is called the electronic city.

There are approximately 200 IT/ ITES companies located in Electronics City which have employed many unemployed in various fields.

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Q4. Answer: (d)

Q5. Answer: (a)

The IT industry is the biggest private-sector employer in India, and it added 230,000 employees in 2014-15, thus making the total number of jobs in the industry close to 3.5 million.

The IT sector also accounted for 9.5% of the gross domestic product. The IT industry holds the largest share of total services exports at 38%.

Q6. Answer: (a)

A circular economy is an industrial system that is restorative or regenerative by intention and design.

It replaces the end-of-life concept with

1. restoration,

2. shifts towards the use of renewable energy,
3. eliminates the use of toxic chemicals,
4. which impair reuse and return to the biosphere, and
5. aims for the elimination of waste through the superior design of materials, products, systems and business models.

Q7. Answer: (d)

The small-scale industries sector plays a vital role in the growth of the country. It contributes almost 40% of the gross industrial value added in the Indian economy.

Q8. Answer: (d)

Q9. Answer: (c)

The main objectives of the SEZ Acts 2005, is to develop infrastructure facilities and to promote investment from foreign sources.

Q10. Answer: (a)

TISCO was founded in 1907 by Dorabji Tata. The Bhilai Steel Plant, located in Bhilai, in the Indian state of Chhattisgarh, was set up with the help of the USSR in 1955. 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 in 1972. Visakhapatnam Steel Plant, popularly known as Vizag Steel, is the most advanced steel producer in India with the help of German and soviet technology founded in 1974.

Q11. Answer: (a)

The Foreign Exchange and Regulation Act (FERA) was passed in 1973. This resulted in a tremendous shift in the foreign investment policy of the Government of India.

Foreign Investment was allowed in only those industries that were directly into exports.

Q12. Answer: (c)

M-Pesa is a mobile money transfer and payment service that is a joint initiative of Vodafone and ICICI that allows customers to transfer money to any mobile phone, remit money to any bank account, make utility payments, recharge of mobile, DTH payment and earn interest on deposits.

Q13. Answer: (b)

But, 100% FDI is allowed in all models of retail for food products sourced from Indian farmers or processed/manufactured in India. This has been allowed thinking about the farmers in India.

Q14. Answer: (d)

Q15. Answer: (c)

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