

# 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.** Match the following according to the contribution of cotton industries in different sectors:

Column I	Column II
I. GDP	a. 13.5 %
II. Manufacturing Value	b. 4 %
III. Export earning	c. 14 %

Codes: I II III

- a) I – b, II – a, III - c
  - b) I – a, II – c, III - b
  - c) I – b, II – c, III - a
  - d) I – c, II – b, III - a
- 

**Q2.** The Planning Commission fixed the baseline of poverty per capita per month in city areas to

- a) Rs. 830
  - b) Rs. 550
  - c) Rs. 1000
  - d) Rs. 780
- 

**Q3.** Disinvestment is :

- a) Off-loading of government shares to private companies.
- b) Increase in investment.
- c) Offloading of shares of private companies to government.
- d) Closing down of business concerns.

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**Q4.** Who among the following heads the Genetic Engineering Approvals Committee (GEAC) in India?

- a) Minister of Science and Technology
- b) None of them
- c) Minister of Environment & Forests
- d) Minister of Agriculture

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**Q5.** Consider the following statements :

- The first news print plant was set up in India at Nepanagar.
- The first modern steel plant in India was set up at Bhadrawati.

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

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

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**Q6.** Consider the following statements :

- The first modern steel producing unit was established at Kulti (W. Bengal) in 1874.
- Bhilai steel plant was established during the second Five Year Plan.
- Rourkela steel plant was established with the collaboration of west Germany.
- Bokaro steel plant was established during the Third Five Year Plan.

Which of the statements are **correct**?

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

**Q7.** With reference to the **National Investment Fund** to which the disinvestment proceeds are routed, consider the following statements?

- The assets in the National Investment Fund are managed by the Union Ministry of Finance.
- The National Investment Fund is to be maintained within the Consolidated Fund of India.
- Certain Asset Management companies are appointed as fund managers.
- A certain proportion of annual income is used for financing select social sectors.

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

a) 3 and 4

b) 2 only

c) 1 and 2

d) 3 only

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**Q8.** The BPL formula was suggested for the evaluation of poverty in the chairmanship of

a) Rangarajan

b) Suresh Tendulkar

c) Kaushik

d) Govind Acharya

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**Q9.** Match the following products with the percentage of CPSE control over them:

Column I	Column II
I. Coal	a. 70%
II. Crude Oil	b. 55%
III. Refineries	c. 80%

Codes: I II III

a) I – c, II – b, III – a

b) I – a, II – c, III – b

c) I – c, II – a, III – b

d) I – b, II – a, III – c

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**Q10.** The term “**MCA21**” is related to which of the following:

- a) It is an e-governance project
  - b) It is a survey done by NSO
  - c) It is a group of companies registered under SEBI
  - d) It is a code used in space technologies
- 

**Q11.** Which of the following statements are **correct** regarding **Ujjwala Scheme**?

- i. It plans to provide free LPG connections to BPL families
- ii. It provides free/subsidized LPG cylinders to BPL families
- iii. The connections will be issued in the name of the women of the households

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

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

**Q12.** In which city the meeting of World Economic Forum (WEF) India – 2013 in Nov. 2013 was held?

- a) Bengaluru
  - b) New Delhi
  - c) Kochi
  - d) Mumbai
- 

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**Q13.** SDR called as paper gold is associated with

- a) WTO

- b) IMF
- c) UNCTAD
- d) World Bank

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**Q14.** In the context of the Indian economy, which of the following is/are the purpose/purposes of '**Statutory Reserve Requirements**'?

- To enable the Central Bank to control the amount of advances the banks can create
- To make the people's deposits with banks safe and liquid
- To prevent the commercial banks from making excessive profits
- To force the banks to have sufficient vault cash to meet their day-to-day requirements

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

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

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**Q15.** Which one of the following pairs is **not** properly matched based on **Industry** and **Industrialists**?

- a) Airtel - Bharati Mittal
- b) Reliance - Mukesh Ambani
- c) Wipro - R. Krishnamurthy
- d) Nano Car - Ratan Tata

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**Answers to the above questions :**

**Q1. Answer: (c)**

Cotton Industry in India is the most organized industry which contributes to about 4% of GDP, 14% of manufacturing value and 13.5% to total export earnings.

**Q2. Answer: (c)**

The Planning Commission fixed the baseline of poverty per capita for rural areas using the Tendulkar methodology at Rs. 816 per capita per month and Rs. 1,000 per capita per month in urban areas.

**Q3. Answer: (a)**

Disinvestment is a process in which off-loading of government shares is done to private companies. A company or government organization will divest an asset or subsidiary as a strategic move for the company, planning to put the proceeds from the divestiture to better use that garners a higher return on investment.

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**Q4. Answer: (b)**

**Q5. Answer: (c)**

The first newsprint plant was set up in India at Nepanagar in 1948. The first modern steel plant TISCO was founded in 1907 by Dorabji Tata in Jamshedpur.

**Q6. Answer: (d)**

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 is 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 in 1972.

**Q7. Answer: (a)**

On 27 January 2005, the Government had decided to constitute a 'National Investment Fund' (NIF) into which realization from the sale of minority shareholding of the Government in CPSEs would be channelised.

This fund is managed by professionals and a part of it is used for use in the social sector – like education, health care and employment.

**Q8. Answer: (b)**

Prof. Tendulkar's pioneering contribution was his extensive work on poverty and the estimation of people below the poverty line (BPL).

A committee was formed by the government of India in 2009, with Tendulkar as Chairman to 'report on methodology of estimation of poverty'.

In 2009, this committee came out with a new method to calculate poverty.

**Q9. Answer: (c)**

**Q10. Answer: (a)**

MCA21 is an e-Governance initiative of the Ministry of Company Affairs (MCA), Government of India that enables easy and secure access of the MCA services to the corporate entities, professionals and citizens of India.

The core philosophy is to encompass and facilitate stakeholders for access to databases which would be of immense value for business operations.

**Q11. Answer: (c)**

Pradhan Mantri Ujjwala Yojana (PMUY) is a scheme of the Ministry of Petroleum & Natural Gas for providing LPG connections (and not the cylinder, as cylinders were already subsidized before this scheme) to women from Below Poverty Line (BPL) households.

LPG connection under this Scheme shall be in the name of the women belonging to the BPL family.

The scheme aims to safeguard the health of women & children by providing them with a clean cooking fuel – LPG so that they do not have to compromise their health in smoky kitchens or wander in unsafe areas collecting firewood.

Till now there are more than 8 crore beneficiaries.

**Q12. Answer: (c)**

The meeting of the World Economic Forum (WEF) India-2013 in Nov. 2013 was held in Kochi.

World Economic Forum is an independent international organization committed to improving the state of the world by engaging business, political, academic and other leaders of society

to shape global, regional and industry agendas.

**Q13. Answer: (b)**

SDR (Special Drawing Rights) is an international financing instrument created in 1970 by the International Monetary Fund (IMF).

It is also called paper gold, an SDR is neither paper nor gold but an accounting entry. It is not backed by any currency or precious metal and is used only among governments and IMF for the balance of payments settlements.

**Q14. Answer: (b)**

Because Reserve requirements are designed as “precautionary measures” and not to stop banks from “excessive” profit.

**Q15. Answer: (c)**

1. Reliance-Mukesh Ambani,
2. Wipro-Azim Premji,
3. Airtel- Sunil Bharati Mittal and
4. Nano Car-Ratan Tata.

Wipro was established by Mohamed Hasham Premji in 1945 as a vegetable manufacturer in Amalner, Maharashtra.

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