

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. Consider the following statements :

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

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
-

Q2. Consider the following statements: Small-scale industries are in most cases, not as efficient and competitive as the large-scale ones. Yet the government provides preferential treatment and reservations in a range of products to the small firms because of small-scale industries.

- provide higher employment on a per-unit capital development basis.
- promote a regional dispersion of industries and economic activities.
- have performed better in export on manufactured products than the large scale ones.
- provide jobs to low-skill workers, who otherwise may not find employment revenues elsewhere.

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

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

Q3. Which of the following statements are true regarding "**India Infrastructure Finance Company Limited (IIFCL)**":

- i. It is a non-Government company

ii. It is an NBFC registered with RBI

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

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

Q4. The term "roll-on roll-off" recently in the news is related to which of the following:

- a) Transportation of vehicles through ships
- b) Railway engines and wagons
- c) Connecting two ports through dedicated shipping channel
- d) Dedicated freight corridors

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Q5. Which sentences are **correct** regarding **export in India**?

- I. 45%-50% of the Indian Exports is contributed by SSI Sector.
- II. Direct exports from the SSI Sector account for nearly 45% of total exports.
- III. Besides direct exports, it is estimated that smallscale industrial units contribute around 15% to exports indirectly.

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

Q6. The term 'Rent seeking' refers to which of the following?

- a) Excessive rent collected by the owners because of rise in demand

- b) Higher prices collected by business entities by forming cartels
 - c) Practise of manipulating public policy as a strategy to increase profits
 - d) Manipulating profits by inflating costs
-

Q7. Which one of the following is **not** a feature of Limited Liability Partnership Firm?

- a) Internal governance should be decided by mutual agreement among partners
 - b) Partner should be less than 20
 - c) Partner and management need not to be separate
 - d) It is a corporate body with perpetual succession
-

Q8. Which one of the following is **correctly** matched based on Industries clusters and Location?

- a) Surat - Gems & Jewellery
 - b) Textiles - Tirupur
 - c) Marble - Kishangarh
 - d) All of the above
-

Q9. Consider the following statements :

- The erratic trend in the production of sugar is mainly due to monsoons.
- The output of sugar is influenced by both cane and Gur prices.

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
-

Q10. Which one of the following is **not** the problem of Small Scale Industries (SSIs)?

- a) Raw materials
 - b) Finances
 - c) Marketing
 - d) Strikes and lockouts
-

Q11. Which of the following cities is known as the Financial Capital of India?

- a) Chennai
 - b) New Delhi
 - c) Kolkata
 - d) Mumbai
-

Q12. In India 'Report on Currency and Finance' is the annual publication of

- a) Finance Commission
- b) SEBI
- c) Finance Ministry
- d) RBI

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Q13. NASSCOM is the organisation of companies of which sector?

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

Q14. Which of the following can be termed an infrastructural bottleneck in the development of India's economy?

- a) The federal nature of Indian policy
- b) Delay in the administration of justice
- c) Existence of a large variety of financial institutions
- d) The volatility of the Indian rupee

Q15. Consider the following statements :

- The growth of wireline telephone connections in the last five years is decreasing every year.
- The share of private operations in the wireless telephone in India is more than 85%.

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

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

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Answers to the above questions :

Q1. Answer: (b)

The first newsprint plant was set up in India at Nepanagar in 1948.

Q2. Answer: (d)

Q3. Answer: (c)

India Infrastructure Finance Company Limited (IIFCL) is a wholly-owned Government of India company set up in 2006 to provide long-term financial assistance to viable infrastructure

projects.

The sectors eligible for financial assistance from IIFCL are as per the Harmonized list of Infrastructure Sub-Sectors as approved by the Government. These broadly include transportation, energy, water, sanitation, communication, social and commercial infrastructure.

IIFCL is registered as an "NBFC-ND-IFC"

i.e. Non-Banking Financial Company - Non-Deposit - Infrastructure Finance Company. NBFCs have been classified into 'Deposit' and 'Non-Deposit (ND)' accepting.

NBFCs are also classified as per what kind of activity they conduct and one of the categories is 'Infrastructure Finance Company (IFC)'

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Q4. Answer: (a)

Roll-on roll-off (ro-ro is an acronym for roll-on roll-off) ships are vessels designed to carry wheeled cargo such as cars, trucks, trailers that are driven on and off the ship on their own wheels or using a platform vehicle.

(Earlier wheeled vehicles were carried as cargo on oceangoing ships and were treated like any other cargo. Automobiles had their fuel tank emptied and their batteries disconnected before being hoisted onto the ship which was a difficult and tedious process and vehicles were subject to damage and could not be used for routine/daily travel.)

On 23rd Oct 2017, Prime Minister inaugurated the first phase of the roll-on roll-off ferry service (for conveying passenger and goods both) connecting Saurashtra with South Gujarat.

Q5. Answer: (b)

45%-50% of the Indian Exports is contributed by SSI Sector. Direct exports from the SSI Sector account for nearly 35% of total exports.

Besides direct exports, it is estimated that small-scale industrial units contribute around 15% to exports indirectly.

Q6. Answer: (c)

Rent-seeking means engaging in or involving in the manipulation of public policy or economic conditions as a strategy for increasing profits.

For example, lobbying for government contracts by changing the terms and conditions of the bidding contract.

Q7. Answer: (c)

The LLP will be a separate legal entity, liable to the full extent of its assets, with the liability of the partners being limited to their agreed contribution in the LLP which may be of tangible or intangible nature or both tangible and intangible in nature. No partner would be liable on account of the independent or unauthorised actions of other partners or their misconduct.

The liabilities of the LLP and partners who are found to have acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the LLP.

Q8. Answer: (d)

All the above industrial clusters and the related locations are correctly matched. Tirupur is famous for textiles, Kishangarh is famous for marbles, Surat is famous for Gems and Jewellery.

Q9. Answer: (a)

The erratic trend in production of sugar is mainly due to monsoons and the output of sugar is influenced by both cane and gur prizes.

Q10. Answer: (d)

Major problems faced by the small scale industries are:

1. Finance,
2. Raw Material,
3. Idle Capacity,
4. Technology,
5. Marketing,
6. Infrastructure,
7. Under Utilization of Capacity and
8. Project Planning.

Strike and lockouts is not a problem of SSIs.

Q11. Answer: (d)

Mumbai is the financial capital of India. It is one of the world's top ten centres of commerce in terms of global financial flow generating 5% of India's GDP and accounting for 25% of industrial output, 70% of maritime trade in India and 70% of capital transactions to India's economy.

Q12. Answer: (d)

In India, 'Report on Currency and Finance' is the annual publication of Reserve Bank of India.

The report highlights the evaluation or devaluation of rupee as a currency along with its other aspects and projects the financial condition of the economy.

Q13. Answer: (a)

NASSCOM is the organisation of companies of Information technology.

NASSCOM: It is a trade association of the Indian Information Technology and Business process outsourcing Industry.

Q14. Answer: (b)

Q15. Answer: (a)

The growth of wireline telephone connections in the last five years is decreasing every year due to an increase in mobile connections.

Moreover, the share of private operations in the wireless telephone is more than 85%.

So, both statements are correct.

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