INDUSTRIAL SCENARIO & INDUSTRIAL POTENTIAL IN WEST BENGAL

Chapter: Basic Industrial Concepts

100 Multiple Choice Questions with Answer Key

Choose the correct option for each question. Questions are in mixed order and cover all topics of the chapter. The answer key is given on the last page.

1. CGTMSE provides
(a) Credit guarantee for collateral-free loans
(b) Land to industries
(c) Export subsidies
(d) Free raw materials

2. The Mahalanobis model was adopted in the
(a) Second Five Year Plan (1956-61)
(b) First Five Year Plan
(c) Fifth Five Year Plan
(d) Eighth Five Year Plan

3. The National Manufacturing Policy (2011) targeted a manufacturing share in GDP of
(a) 25%
(b) 40%
(c) 10%
(d) 15%

4. The theory of unbalanced growth is associated with
(a) Lewis
(b) Keynes
(c) Rostow
(d) Hirschman

5. Under the definition effective from 1 July 2020, the turnover limit for a small enterprise was
(a) ₹100 crore
(b) ₹250 crore
(c) ₹50 crore
(d) ₹10 crore

6. Which core industry has the highest weight in the Index of Eight Core Industries?
(a) Refinery products
(b) Cement
(c) Coal
(d) Steel

7. PM Gati Shakti is a
(a) Scheme for farm loans
(b) Digital platform for integrated infrastructure planning
(c) Tax reform law
(d) Scheme for school education

8. Standardisation of quality is generally easier in
(a) Services
(b) Education
(c) Manufacturing
(d) Tourism

9. Research and development and consultancy form part of the

(a) Cottage sector
(b) Quaternary sector
(c) Secondary sector
(d) Primary sector

10. The Amritsar–Kolkata Industrial Corridor is an example of an

(a) Cottage cluster
(b) Industrial corridor
(c) Food processing unit
(d) Marine park

11. Which type of industry requires little or no raw material?

(a) Steel industry
(b) Service industry
(c) Cement industry
(d) Sugar industry

12. The Haldia Dock Complex is part of the

(a) Paradip Port
(b) Kandla Port
(c) Syama Prasad Mookerjee Port, Kolkata
(d) Visakhapatnam Port

13. Steel supplying material to automobiles and construction is an example of

(a) Forward linkage
(b) Industrial sickness
(c) Cottage production
(d) Backward linkage

14. The multiplier effect means that

(a) Initial spending generates additional income and demand
(b) Imports increase exports
(c) Output stays constant
(d) Spending reduces income

15. The combined weight of the eight core industries in the IIP is about

(a) 77.63%
(b) 60.00%
(c) 20.00%
(d) 40.27%

16. Import substitution means

(a) Exporting raw materials
(b) Importing more goods
(c) Producing at home goods that were earlier imported
(d) Closing down industries

17. The Fisher–Clark model divides the economy into

(a) Four sectors
(b) Two sectors
(c) Five sectors
(d) Three sectors

18. The secondary sector is also known as the

(a) Knowledge sector
(b) Industrial sector
(c) Service sector
(d) Extractive sector

19. The National Manufacturing Policy was announced in
(a) 2014
(b) 2011
(c) 2005
(d) 2020

20. Baluchari silk is associated with
(a) Bishnupur
(b) Darjeeling
(c) Krishnanagar
(d) Shantipur

21. Which of the following is NOT a service industry?
(a) Banking
(b) Insurance
(c) Tourism
(d) Cement production

22. Under MUDRA, Shishu loans are given up to
(a) ₹5 lakh
(b) ₹10 lakh
(c) ₹20 lakh
(d) ₹50,000

23. The MRTP Act was enacted in
(a) 1951
(b) 1956
(c) 1991
(d) 1969

24. The upper limit of the MUDRA Tarun Plus category is
(a) ₹50 lakh
(b) ₹20 lakh
(c) ₹5 lakh
(d) ₹10 lakh

25. Mining and quarrying are examples of
(a) Tertiary activities
(b) Quaternary activities
(c) Secondary activities
(d) Primary activities

26. Fish processing is an example of a
(a) Marine-based industry
(b) Agro-based industry
(c) Forest-based industry
(d) Mineral-based industry

27. The National Logistics Policy was launched in
(a) 2019
(b) 2015
(c) 2022
(d) 2017

28. Under the revised criteria (1 April 2025), the investment limit for a small enterprise is
(a) ₹125 crore
(b) ₹50 crore
(c) ₹10 crore
(d) ₹25 crore

29. The leather and footwear industry is based on

(a) Animal-based raw material
(b) Mineral raw material
(c) Forest raw material
(d) Marine raw material

30. The feature that quality of a service varies with the provider is called

(a) Perishability
(b) Intangibility
(c) Variability
(d) Inseparability

31. Which core industry has the lowest weight in the Index of Eight Core Industries?

(a) Natural gas
(b) Fertilizers
(c) Cement
(d) Coal

32. The Lewis model explains

(a) Balanced growth of all sectors
(b) Stages of growth
(c) Movement of surplus labour from agriculture to industry
(d) Heavy industry planning

33. Construction belongs to the

(a) Primary sector
(b) Quinary sector
(c) Secondary sector
(d) Tertiary sector

34. Manufacturing of cars and computers from ready-made parts is called

(a) Mining
(b) Assembling
(c) Synthetic manufacturing
(d) Analytical manufacturing

35. The weight of manufacturing in the IIP (base 2011-12) is

(a) 7.99%
(b) 77.63%
(c) 14.37%
(d) 40.27%

36. As an economy develops, the share of which sector in national output generally falls?

(a) Secondary sector
(b) Quaternary sector
(c) Tertiary sector
(d) Primary sector

37. Industries that use more labour than capital are called

(a) Heavy industries
(b) Capital-intensive industries
(c) Footloose industries
(d) Labour-intensive industries

38. Durgapur was developed as an industrial city under the leadership of

(a) Dr. B. C. Roy
(b) Jawaharlal Nehru
(c) Sir M. Visvesvaraya
(d) Dr. Syama Prasad Mookerjee

39. The highest level of decision making in government and business is called the

(a) Primary sector
(b) Quinary sector
(c) Quaternary sector
(d) Tertiary sector

40. Before 2020, micro manufacturing units were defined by investment in plant and machinery up to

(a) ₹10 lakh
(b) ₹25 lakh
(c) ₹5 crore
(d) ₹1 crore

41. Cement, coal and power industries that supply inputs to other industries are called

(a) Consumer goods industries
(b) Service industries
(c) Cottage industries
(d) Basic or key industries

42. The Industrial Policy Resolution of 1956 is often called

(a) The LPG policy
(b) The Make in India policy
(c) The licence raj charter
(d) The economic constitution of India

43. The headquarters of Eastern Railway is at

(a) Kolkata
(b) Patna
(c) Guwahati
(d) Bhubaneswar

44. The Bharatmala programme focuses on

(a) Air connectivity
(b) Rural electrification
(c) Ports
(d) Highways and economic corridors

45. The feature that production and consumption of a service take place together is called

(a) Perishability
(b) Variability
(c) Tangibility
(d) Inseparability

46. The Bengal Global Business Summit was first held in

(a) 2020
(b) 2010
(c) 2005
(d) 2015

47. The Industrial Policy Resolution of 1948 was announced under

(a) P. C. Mahalanobis
(b) Dr. B. C. Roy
(c) Dr. Rajendra Prasad
(d) Dr. Syama Prasad Mookerjee

48. Jute trade and export is a

(a) Tertiary activity
(b) Secondary activity
(c) Primary activity
(d) Cottage activity

49. Falta in West Bengal is known for its
(a) Jute research institute
(b) Export Processing Zone / Special Economic Zone
(c) Coal mine
(d) Steel plant

50. The Kolkata Leather Complex is located at
(a) Bantala
(b) Haldia
(c) Siliguri
(d) Durgapur

51. SIDBI was established in
(a) 2000
(b) 1990
(c) 1957
(d) 2015

52. MSMEs in India are administered by the
(a) Ministry of Finance
(b) Ministry of Commerce
(c) Ministry of Labour
(d) Ministry of Micro, Small and Medium Enterprises

53. Production-linked incentive (PLI) schemes were launched in
(a) 2016
(b) 2014
(c) 2011
(d) 2020

54. Value addition in an industry means that the output has
(a) a higher value than the inputs used
(b) a lower value than the inputs used
(c) no relation to the inputs
(d) only a higher price than competitors

55. The nodal agency for the PMEGP scheme is
(a) EXIM Bank
(b) SIDBI
(c) NABARD
(d) KVIC

56. Steel and shipbuilding are examples of
(a) Footloose industries
(b) Heavy industries
(c) Light industries
(d) Cottage industries

57. Under the revised criteria (1 April 2025), the investment limit for a medium enterprise is
(a) ₹50 crore
(b) ₹125 crore
(c) ₹25 crore
(d) ₹250 crore

58. IISCO at Burnpur was established in
(a) 1950
(b) 1855
(c) 1918
(d) 1991

59. Tyres, auto parts and yarn are examples of
(a) Consumer goods
(b) Capital goods
(c) Raw materials
(d) Intermediate goods

60. The Kandla Export Processing Zone was set up in
(a) 1965
(b) 1984
(c) 2005
(d) 1948

61. Sugar and paper production are examples of
(a) Extractive industries
(b) Processing industries
(c) Service industries
(d) Assembling industries

62. The UDAN scheme is meant for
(a) Highway construction
(b) Rural housing
(c) Port modernisation
(d) Regional air connectivity

63. The MRTP Act was later replaced by the
(a) FERA, 1973
(b) Competition Act, 2002
(c) SEZ Act, 2005
(d) MSMED Act, 2006

64. The IT hubs of Kolkata are located at
(a) Haldia and Durgapur
(b) Salt Lake Sector V and New Town
(c) Siliguri and Bagdogra
(d) Bantala and Howrah

65. Making a shirt from cotton creates
(a) Possession utility
(b) Form utility
(c) Time utility
(d) Place utility

66. The weight of mining in the IIP (base 2011-12) is
(a) 77.63%
(b) 7.99%
(c) 28.04%
(d) 14.37%

67. Manufacturing industries belong to the
(a) Secondary sector
(b) Quaternary sector
(c) Tertiary sector
(d) Primary sector

68. Tea plantation in Darjeeling is a
(a) Quinary activity
(b) Tertiary activity
(c) Primary activity
(d) Secondary activity

69. Chittaranjan Locomotive Works was established in

(a) 1935
(b) 1962
(c) 1975
(d) 1950

70. Which is the oldest coalfield of India, located in West Bengal?

(a) Jharia
(b) Singrauli
(c) Raniganj
(d) Bokaro

71. Industrial sickness means

(a) Units owned by government
(b) Units suffering continuous losses and weak financial health
(c) Units that make very high profits
(d) Units newly started

72. Cement and soap manufacturing are examples of

(a) Assembling
(b) Synthetic manufacturing
(c) Cottage production
(d) Analytical manufacturing

73. Banks, insurance companies and stock exchanges form

(a) Financial infrastructure
(b) Social infrastructure
(c) Cottage infrastructure
(d) Physical infrastructure

74. An enterprise above the medium enterprise limits is classified as

(a) Small industry
(b) Micro industry
(c) Large industry
(d) Cottage industry

75. The first stage in Rostow's model is

(a) High mass consumption
(b) Drive to maturity
(c) Take-off
(d) Traditional society

76. SAIL is an example of the

(a) Private sector
(b) Joint sector
(c) Public sector
(d) Cooperative sector

77. A planned area with ready plots, power, water and roads for small units is a

(a) Special economic zone
(b) Port
(c) Industrial estate
(d) Cottage industry

78. Economic growth is mainly

(a) Social only
(b) Political
(c) Quantitative
(d) Qualitative only

79. Paper and pulp industry is a

(a) Marine-based industry
(b) Forest-based industry
(c) Mineral-based industry
(d) Animal-based industry

80. Education and health care belong to the

(a) Primary sector
(b) Secondary sector
(c) Tertiary sector
(d) Extractive sector

81. Under the definition effective from 1 July 2020, the investment limit for a micro enterprise was

(a) ₹2.5 crore
(b) ₹5 crore
(c) ₹1 crore
(d) ₹25 lakh

82. The New Industrial Policy of 1991 abolished

(a) All taxes on industry
(b) All small industries
(c) All public sector units
(d) Industrial licensing for most industries

83. Which of the following is one of the eight core industries?

(a) Cement
(b) Sugar
(c) Paper
(d) Textiles

84. Electricity generation belongs to the

(a) Primary sector
(b) Tertiary sector
(c) Secondary sector
(d) Quaternary sector

85. Cottage industries are mostly run by

(a) Government departments
(b) Artisans with family labour at home
(c) Multinational companies
(d) Large corporations

86. The feature that services cannot be stored for later use is called

(a) Variability
(b) Perishability
(c) Intangibility
(d) Inseparability

87. Steel industry's demand for coal and iron ore is an example of

(a) Forward linkage
(b) Industrial sickness
(c) Backward linkage
(d) Import substitution

88. The Human Development Index includes

(a) Only exports
(b) Only income
(c) Income, education and health
(d) Only industrial output

89. Which of the following is an objective of industrial development?

(a) Increasing unemployment
(b) Increasing dependence on imports
(c) Reducing exports
(d) Reducing regional imbalances

90. The National Infrastructure Pipeline was launched in

(a) 2019
(b) 2014
(c) 2017
(d) 2022

91. Joint sector industries are owned by

(a) Workers' cooperatives
(b) Only private individuals
(c) Only the government
(d) The government and private owners together

92. The Industries (Development and Regulation) Act was passed in

(a) 1969
(b) 1951
(c) 1948
(d) 1991

93. Garments, soap and biscuits are examples of

(a) Capital goods industries
(b) Consumer goods industries
(c) Basic industries
(d) Intermediate goods industries

94. In Rostow's model, the stage that follows take-off is

(a) High mass consumption
(b) Traditional society
(c) Drive to maturity
(d) Pre-conditions for take-off

95. Industries that are not tied to any particular raw material source are called

(a) Basic industries
(b) Footloose industries
(c) Cottage industries
(d) Agro-based industries

96. Which sector contributes the largest share of India's GVA?

(a) Mining
(b) Services
(c) Agriculture
(d) Manufacturing

97. Under the revised criteria (1 April 2025), the turnover limit for a micro enterprise is

(a) ₹10 crore
(b) ₹50 crore
(c) ₹100 crore
(d) ₹5 crore

98. Under the definition effective from 1 July 2020, the turnover limit for a medium enterprise was

(a) ₹100 crore
(b) ₹250 crore
(c) ₹125 crore
(d) ₹500 crore

99. Amul is an example of which type of ownership?

(a) Private sector
(b) Joint sector
(c) Cooperative sector
(d) Public sector

100. The Raniganj–Asansol belt of West Bengal is known for

(a) Silk production
(b) Coal mining
(c) Tea plantation
(d) Jute cultivation

Answer Key

Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans
1	(a)	21	(d)	41	(d)	61	(b)	81	(c)
2	(a)	22	(d)	42	(d)	62	(d)	82	(d)
3	(a)	23	(d)	43	(a)	63	(b)	83	(a)
4	(d)	24	(b)	44	(d)	64	(b)	84	(c)
5	(c)	25	(d)	45	(d)	65	(b)	85	(b)
6	(a)	26	(a)	46	(d)	66	(d)	86	(b)
7	(b)	27	(c)	47	(d)	67	(a)	87	(c)
8	(c)	28	(d)	48	(a)	68	(c)	88	(c)
9	(b)	29	(a)	49	(b)	69	(d)	89	(d)
10	(b)	30	(c)	50	(a)	70	(c)	90	(a)
11	(b)	31	(b)	51	(b)	71	(b)	91	(d)
12	(c)	32	(c)	52	(d)	72	(b)	92	(b)
13	(a)	33	(c)	53	(d)	73	(a)	93	(b)
14	(a)	34	(b)	54	(a)	74	(c)	94	(c)
15	(d)	35	(b)	55	(d)	75	(d)	95	(b)
16	(c)	36	(d)	56	(b)	76	(c)	96	(b)
17	(d)	37	(d)	57	(b)	77	(c)	97	(a)
18	(b)	38	(a)	58	(c)	78	(c)	98	(b)
19	(b)	39	(b)	59	(d)	79	(b)	99	(c)
20	(a)	40	(b)	60	(a)	80	(c)	100	(b)