

# Chapter

# 4

## Indian Industries

- Local supply of coal is not available to : [1996]
  - TISCO, Jamshedpur
  - VSL, Bhadravati
  - HSL, Durgapur
  - HSL, Bhilai
- The number of industries for which industrial licensing is required has now been reduced to : [1997]
  - 15
  - 6
  - 35
  - 20
- Scheme of (i) Urban Micro-Enterprises, (ii) Urban Wage Employment and (iii) Housing and Shelter Upgradation are parts of: [1997]
  - Integrated Rural Development Programme
  - Nehru Rojgar Yojana
  - Jawahar Rojgar Yojana
  - Prime Minister's Rojgar Yojana
- The contribution of India's small scale sector to the gross turnover in the manufacturing sector since 1992 has been of the order of: [1997]
  - 40%
  - 34%
  - 30%
  - 45%
- Which of the following places are known for paper manufacturing industry ? [1997]
  - Yamuna Nagar
  - Guwahati
  - Shahabad
  - Ballarpur

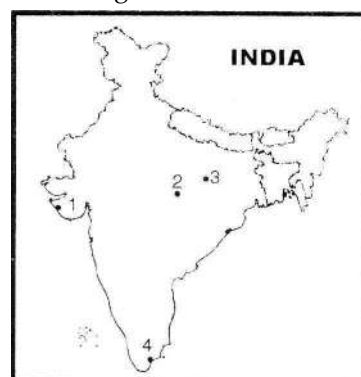
Choose the correct answer using the codes given below:

  - 1, 2 and 3
  - 1, 2 and 4
  - 1, 3 and 4
  - 2, 3 and 4
- Match List-I with List-II and select the correct answer: [1997]
 

| List-I<br>(Hazardous industries) | List-II<br>(Located at) |
|----------------------------------|-------------------------|
| A. Glass Industry                | 1. Moradabad            |
| B. Brassware Industry            | 2. Marakpur             |
| C. Slate Industry                | 3. Ferozabad            |
| D. Handmade Carpet Industry      | 4. Mirzapur             |

Codes:

  - A-3; B-1; C-2; D-4
  - A-1; B-3; C-4; D-2
  - A-3; B-1; C-4; D-2
  - A-1; B-3; C-2; D-4
- Some time back, the Government of India, decided to de-license 'white goods' industry. 'White goods' include: [1998]
  - stainless steel and aluminium utensils
  - milk and milk products
  - items purchased for conspicuous consumption
  - soaps, detergents and other mass consumption goods
- The rough outline map given shows centres of cement industry labelled 1, 2, 3 and 4. Match these centres with the following sets of names : [1998]



### Names:

- |          |                |
|----------|----------------|
| A. Katni | B. Tirunelveli |
| C. Sikka | D. Churk       |

Select the correct answer using the codes given below:

### Codes:

- A-3; B-4; C-2; D-1
- A-2; B-4; C-1; D-3
- A-1; B-2; C-4; D-3
- A-2; B-3; C-1; D-4

- Consider the following statements: [1999]
 

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 small-scale industries:

  - provide higher employment on a per unit capital deployment basis
  - promote a regional dispersion of industries and economical activities
  - have performed better in export of manufactured products than the large scale ones

4. provide jobs to low-skill workers, who otherwise may not find employment avenues elsewhere  
Which of the above statements are correct?

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

10. Match List-I with List-II and select the correct answer using the codes given the lists: [1999]

**List I****(Industries)**

- A. Pearl fishing  
B. Automobiles  
C. Ship building  
D. Engineering goods

**List-II****(Industrial Centres)**

1. Pune  
2. Tuticorin  
3. Pinjore  
4. Marmagao

**Codes:**

(a) A-2; B-1; C-4; D-3 (b) A-2; B-1; C-3; D-4  
(c) A-1; B-2; C-4; D-3 (d) A-1; B-2; C-3; D-4

11. Consider the following statements: [1999]

Industrial development in India, to an extent, is constrained by:

1. lack of adequate entrepreneurship and leadership in business
2. lack of savings to invest
3. lack of technology, skills and infrastructure
4. limited purchasing power among the larger masses

Which of the above statements are correct?

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

12. Tourism industry in India is quite small compared to many other countries in terms of India's potential size. Which one of the following statements is correct in this regard? [1999]

- (a) Distances in India are too far apart is luxury hotels are too expensive for western tourists  
(b) For most of months India is too hot for western tourists to feel comfortable  
(c) Most of the picturesque resorts in India such as in the North East and Kashmir are, for all practical purposes, out of bounds  
(d) In India, the infrastructure required for attracting tourists is inadequate

13. Match List-I with List-II and select the correct answer using the codes given below the lists: [1999]

**List-I (Industrial Unit)****List-II (Centre)**

- |   |                |
|---|----------------|
| A. Atlas Cycle Company Ltd.                     | 1. Bangalore   |
| B. Bharat Earth Movers Ltd.                     | 2. Bhubaneswar |
| C. Indian Farmers Fertilizers Co-operative Ltd. | 3. Kalol       |
| D. National Aluminium Company Ltd.              | 4. Sonapat     |

**Codes:**

(a) A - 1; B - 4; C - 2; D - 3  
(b) A - 1; B - 4; C - 3; D - 2  
(c) A - 4; B - 1; C - 2; D - 3  
(d) A - 4; B - 1; C - 3; D - 2

14. **Assertion (A)** : Information technology is fast becoming a very important field of activity in India.

**Reason (R)** : Software is one of the major exports of the country and India has a very strong base in hardware. [1999]

- (a) Both A and R are true and R is the correct explanation of A  
(b) Both A and R are true but R is not a correct explanation of A  
(c) A is true but R is false  
(d) A is false but R is true

15. Consider the following factors regarding an industry [2001]

1. Capital investment
2. Business turnover
3. Labour force
4. Power consumption

Which of these determine the nature and size of the industry?

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

16. **Assertion (A)** : India's software exports increased at an average growth rate of 50% since 1995-96.

**Reason (R)** : Indian software companies were cost-effective and maintained international quality. [2001]

- (a) Both A and R are individually true and R is the correct explanation of A  
(b) Both A and R are individually true but R is not the correct explanation of A  
(c) A is true but R is false  
(d) A is false but R is true

17. Consider the following states: [2001]

1. Gujarat
2. Karnataka
3. Maharashtra
4. Tamil Nadu

The descending order of these states with reference to their level of Per Capita Net State Domestic Product is:

(a) 1, 3, 4, 2 (b) 3, 1, 2, 4  
(c) 1, 3, 2, 4 (d) 3, 1, 4, 2

18. With reference to the Public Sector Undertakings in India, consider the following statements: [2002]

1. Minerals and Metals Trading Corporation of India Limited is the largest non-oil importer of the country

2. Project and Equipment Corporation of India Limited is under the Ministry of Industry
3. 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 these statements is/are correct?
- (a) 1 only (b) 1 and 2  
(c) 2 and 3 (d) 3 only
19. HINDALCO, an aluminium factory located at Renukut owes its site basically to : [2002]
- (a) proximity of raw materials  
(b) abundant supply of power  
(c) efficient transport network  
(d) proximity to the market
20. Which one of the following committees recommended the abolition of reservation of items for the small scale sector in industry? [2003]
- (a) Abid Hussian Committee  
(b) Narasimham Committee  
(c) Nayak Committee  
(d) Rakesh Mohan Committee
21. With reference to India, which one of the following statements is NOT correct? [2003]
- (a) IPCL is India's largest petrochemical company  
(b) RIL is the largest private sector company in India  
(c) MTNL is listed on NYSE  
(d) BSNL is the first telecom service organization in India to launch a nationwide cellular service at one time
22. Which one of the following statements is NOT correct? [2003]
- (a) India is the second largest producer of nitrogenous fertilizers in the world  
(b) India is the ninth largest steel producing country in the world  
(c) India is the second largest producer of silk in the world  
(d) India ranks third in the world in coal production
23. During the year 2000-01 which one of the following Industries recorded the highest growth rate in India? [2003]
- (a) Cement (b) Coal  
(c) Electricity (d) Steel
24. Which one of the following statements is correct? [2003]
- (a) Alliance Air is a wholly-owned subsidiary of Indian Airlines  
(b) The Airports Authority of India manages seven of the country's international airports
- (c) The Airports Authority of India is the regulatory organisation for enforcing civil air regulations in India  
(d) It is the function of Directorate General of Civil Aviation to plan and construct runways and terminal buildings and to provide air safety services
25. Which one of the following statements is not correct? [2005]
- (a) Rourkela Steel Plant, the first integrated steel plant in the Public Sector of India was set up with the Soviet Union collaboration.  
(b) Salem Steel Plant is a premier producer of stainless steel in India.  
(c) Maharashtra Elektros melt Ltd. is a subsidiary of the Steel Authority of India Ltd.  
(d) Visakhapatnam Steel Plant is a unit of the Rashtriya Ispat Nigam Ltd.
26. Which one of the following is *not* a feature of Limited Liability Partnership firm? [2010]
- (a) Partners should be less than 20  
(b) Partnership and management need not be separate  
(c) Internal governance may be decided by mutual agreement among partners  
(d) It is corporate body with perpetual succession
27. What is/are the recent policy initiative(s) of Government of India to promote the growth of manufacturing sector? [2012 - I]
1. Setting up of National Investment and Manufacturing Zones
  2. Providing the benefit of 'single window clearance'
  3. Establishing the Technology Acquisition and Development Fund
- Select the correct answer using the codes given below:
- (a) 1 only (b) 2 and 3 only  
(c) 1 and 3 only (d) 1, 2 and 3
28. In India, in the overall Index of Industrial Production, the Indices of Eight Core Industries have a combined weight of 37.90%. Which of the following are among those Eight Core Industries? [2012 - I]
1. Cement
  2. Fertilizers
  3. Natural gas
  4. Refinery products
  5. Textiles
- Select the correct answer using the codes given below:
- (a) 1 and 5 only  
(b) 2, 3 and 4 only  
(c) 1, 2, 3 and 4 only  
(d) 1, 2, 3, 4 and 5

29. Despite having large reserves of coal, why does India import millions of tonnes of coal? [2012 - I]
1. It is the policy of India to save its own coal reserves for future, and import it from other countries for the present use.
  2. Most of the power plants in India are coal-based and they are not able to get sufficient supplies of coal from within the country.
  3. Steel companies need large quantity of coking coal which has to be imported.
- Which of the statements given above is/are correct?
- (a) 1 only (b) 2 and 3 only  
(c) 1 and 3 only (d) 1, 2 and 3
30. Which one among the following industries is the maximum consumer of water in India? [2013 - I]
- (a) Engineering (b) Paper and pulp  
(c) Textiles (d) Thermal power
31. Disguised unemployment generally means [2013 - I]
- (a) large number of people remain unemployed  
(b) alternative employment is not available  
(c) marginal productivity of labour is zero  
(d) productivity of workers is low
32. In India, the steel production industry requires the import of [2015-I]
- (a) saltpetre (b) rock phosphate  
(c) coking coal (d) All of the above
33. Kalamkari painting refers to [2015-I]
- (a) a hand-painted cotton textile in South India  
(b) a handmade drawing on bamboo handicrafts in North-East India  
(c) a block-painted woollen cloth in Western Himalayan region of India  
(d) a hand-painted decorative silk cloth in North-Western India
34. In the 'Index of Eight Core Industries', which one of the following is given the highest weight? [2015-I]
- (a) Coal production  
(b) Electricity generation  
(c) Fertilizer production  
(d) Steel production
35. The Fair and Remunerative Price (FRP) of sugarcane is approved by the [2015-I]
- (a) Cabinet Committee on Economic Affairs  
(b) Commission for Agricultural Costs and Prices  
(c) Directorate of Marketing and Inspection, Ministry of Agriculture  
(d) Agricultural Produce Market Committee
36. Consider the following pairs: [2015-I]
- | Place of Pilgrimage | Location          |
|---------------------|-------------------|
| 1. Srisailam        | : Nallamala Hills |
| 2. Omkareshwar      | : Satmala Hills   |
| 3. Pushkar          | : Mahadeo Hills   |
- Which of the above pairs is/are correctly matched?
- (a) 1 only (b) 2 and 3 only  
(c) 1 and 3 only (d) 1, 2 and 3
37. Which of the following brings out the 'Consumer Price Index Number for Industrial Workers'? [2015-I]
- (a) The Reserve Bank of India  
(b) The Department of Economic Affairs  
(c) The Labour Bureau  
(d) The Department of Personnel and Training

# HINTS & SOLUTIONS

1. (b) VSL Bhadravati located in Karnataka is the only iron and state plant which does not have captive coal mines and is situated outside the coal producing area. The plant switched over to electric furnaces after the completion of Mahatma Gandhi Hydel Power Station.

2. (\*) As per the present list of 2012, 18 industries require compulsory licensing. These include; 1. Coal and lignite, 2. Petroleum (other than crude) and its distillation products, 3. Distillation and brewing of alcoholic drinks, 4. Sugar, 5. Animal fats and oils, partly or wholly hydrogenated, 6. Cigars and cigarettes of tobacco and manufactured tobacco substitutes, 7. Asbestos and asbestos-based products, 8. Plywood, decorative veneers, and other wood-based products such as particle board, medium density fiber board, and black-board, 9. Raw hides and skins, leather chamois and patent leather, 10. Tanned or dressed fur skins, 11. Motor cars, 12. Paper and Newsprint except biogases-based units (i.e. except units based on minimum 75% pulp from agricultural residues, biogases and other non conventional raw materials), 13. Electronic aerospace and defence equipment: all types, 14. Explosives including detonating fuses, safety fuses, gunpowder, nitrocellulose and matches, 15. Hazardous chemicals, 16. Drugs and Pharmaceuticals (according to Drug Policy), 17. Entertainment electronics (VCR's, colour TV's, CD players, tape recorders), 18. White goods (domestic refrigerators, domestic dishwashing machines, programmable domestic washing machines, microwave ovens, air conditioners)

3. (b) The Nehru Rozgar Yojana (1989) has been designed to provide employment to the urban unemployed and under-employed poor.

4. (a) The contribution of small scale industries to employment and exports is substantial. The sector contributes over 40 per cent of the gross turnover in the manufacturing sector, 45 per cent of manufactured exports and 25 per cent of total exports. As in 2015.

5. (b) Yamuna Nagar, Guwahati and Ballarpur are famous for paper manufacturing industry. Yamuna Nagar is in Haryana, Guwahati is in Assam and Ballarpur is in Maharashtra.

6. (a) 

| Hazardous industries    | Location  |
|-------------------------|-----------|
| A. Glass Industry –     | Firozabad |
| B. Brassware Industry – | Moradabad |
| C. Slate Industry –     | Marakpur  |

- D. Handmade Carpet – Mirzapur Industry

All these industries use child labour filling of a public interest petition in the Supreme Court is pending.

7. (c) White goods are large electrical goods used domestically such as air conditioners, refrigerators, cooking range etc., which had a white enamel finish. Despite their availability in varied colours now, they are still called white goods. The term is used where British English is spoken. In the year 1993 the govt. of India had decided to de-licence these goods.

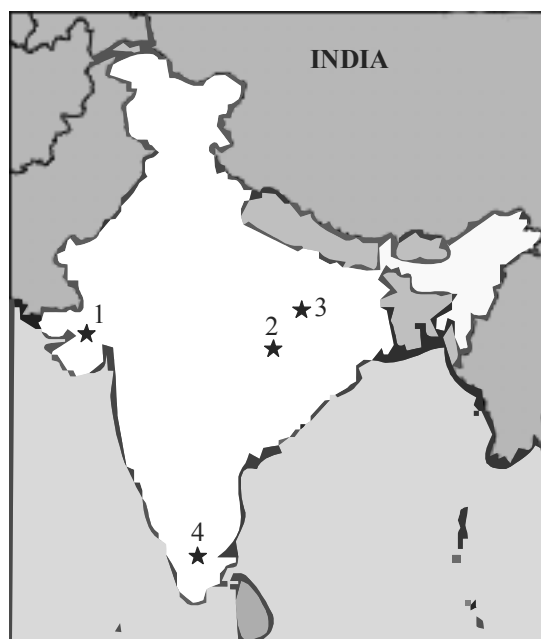
8. (b) In the rough outline map of India show centres of cement industry :

'1' Sikka in Gujarat.

'2' Katni in Madhya Pradesh

'3' Churk in Uttar Pradesh

'4' Tirunelveli in Tamil Nadu.



All the places have cement industries.

9. (b) SSI contribution to Indian exports is 35% and in the total manufacturing turnover contribute approximately 40%. Small scale industries have a low capital output ratio and give employment to larger number of workers. As they use raw material they can be dispersed over a wider area.

10. (a) 

| Industries             | Industrial centres |
|------------------------|--------------------|
| A. Pearl fishing       | Tuticorin          |
| B. Automobile industry | Pune               |
| C. Ship building       | Marmagao           |
| D. Engineering goods   | Pinjore            |



11. (b) A large scale industry will employ more capital, have a large turn power and will use more of power. It will use less labour as it is capital intensive. India has a very high rate of savings. It is the structural constraints which limit the rate of growth.
12. (d) India due to its handicrafts, culture and monuments is a preferred destination. However, there is a lack of tourist infrastructure.
13. (d) Atlas cycle company is situated at Sonapat in Haryana. Bharat Earth Movers Limited is in Bangalore, Karnataka. Indian Farmers Fertilizers Co-operative Ltd is present in Kalol in Gujarat and National Aluminium Company Limited is located at Bhubaneswar.
14. (c) India does not have a strong base in computer hardware.
15. (b) Among various factors entrepreneurial skills, availability of finance turnover and power consumption etc. decides the natural and size of an industry.
16. (a) The only negative factor is the time difference which causes large turn over as most IT work is conducted during night shift.
17. (\*) According to 2011-12 data the correct order is- Maharashtra (101314 INR), Tamil Nadu 84496 (INR), Gujarat (75115 INR), Karnataka (68374 INR)
18. (a) Minerals and Metals Trading Corporation Limited (MMTC) is one of the two biggest foreign exchange earner for India. It is a leading international trading company with a turnover of over 68,885 crore rupees in 2010-11. It is the largest international trading company of India and the first Public Sector Enterprise to be accorded the status of FIVE STAR EXPORT HOUSE by Govt. of India for long standing contribution to exports. MMTC is the largest non-oil importer in India.
19. (b) HINDALCO, an aluminium factory located at Renukut due to abundant supply of power from National Thermal Power Station, Rihand and a captive power plant at Renu Sagar. It has a cogeneration unit at the plant itself.
20. (a) Abid Hussain Committee (1997) recommended total dereservation and desired replacing policy of reservation with a policy of promotion and strengthening of small scale units.
21. (a) ONGC is India's largest petrochemical company. IPCL is the second largest petrochemical company. It produces around 69% of India's crude oil and around 62% of its natural gas.
22. (a) India is the 3rd largest producer of and exporter of nitrogenous fertilizer behind China and USA. It has 9th rank in production of steel in world. Coal production of India ranks 3rd after China and U.S.A. India is the 2nd only to China in silk production.
23. (d) The steel industry recorded highest growth rate of 7%, electricity, generation growth rate was 4%, coal industry growth was 3.3%.
24. (a) Alliance Air was formed in 1996 and was completely owned by Indian Airline. Then are plans to convert it into a Cargo Airline.
25. (a) Rourkela Steel Plant (RSP) is the first integrated steel plant in the public sector in India. It was set up with German collaboration with an installed capacity of 1 million tonnes.
26. (a) A limited liability partnership (LLP) is a partnership in which some or all partners (depending on the jurisdiction) have limited liability.  
LLP shall be a body corporate and a legal entity separate from its partners. It will have perpetual succession. Indian Partnership Act, 1932 shall not be applicable to LLPs and there shall not be any upper limit on number of partners in an LLP unlike an ordinary partnership firm where the maximum number of partners can not exceed 20, LLP Act makes a mandatory statement where one of the partner to the LLP should be an Indian.
27. (c) These two initiatives helped to grow manufacturing sector.
28. (c) Except textiles, all are core industries.
29. (b) 2nd and 3rd are correct statements.
30. (d) Thermal power plants use water to turn into steam (heat energy) to generate electricity (electrical energy).
31. (c) Disguised unemployment is a situation when people do not have productive full-time employment, but are not counted in the official unemployment statistics.
32. (c) The coal found in India is mainly of non-coking quality and hence coking coal has to be imported. 70% of the steel produced today uses coal. Coking coal is a vital ingredient in the steel making process.
33. (a) Kalamkari painting is a type of hand-painted or block-printed cotton textile which are produced in parts of India and in Iran. The Machilipatnam Kalamkari craft made at Pedana nearby Machilipatnam in Krishna district of Andhra Pradesh. It evolved with patronage of the Mughals and the Golconda sultanate.
34. (b) Electricity generation (weight: 10.32%) increased by 3.5% in July, 2015. Its cumulative index during April to July, 2015-16 increased by 2.0 % over the corresponding period of previous year.
35. (a) The Fair and Remunerative Price (FRP) of sugarcane is approved by Cabinet Committee on Economic Affairs.
36. (a) The town of Srisailem is reputed for the shrine of Lord Mallikarjuna on the flat top of Nallamala Hills. Omkareshwar is one of the Dwadasa jyotirlingas situated on the Mandhata hills in Vindhya Mountains of Madhya Pradesh. Pushkar is located along Ratnagiri Hills in Rajasthan.
37. (c) The labour Bureau brings out consumer price index numbers.

