

8th Social Science Lesson 23 Questions in English

23. Public And Private Sectors

1. What were the great challenges faced by India at the time of Independence?
- a) Poverty
 - b) Unemployment
 - c) Literacy
 - d) **All the above**

Explanation

India was basically an Agrarian economy with a weak industrial base at the time of independence. India experienced very poor economic and social over heads with high level of poverty, Literacy and Unemployment in the country.

2. Which economy system did India adopted for the economic growth?
- a) Capitalist Economy
 - b) Socialist Economy
 - c) **Mixed Economy**
 - d) Agrarian Economy

Explanation

The Economic Growth of India may be sustained at a maximum rate, if private sector and public sector joins together. Mixed Economic system which consists of both private and public enterprises was followed by India for its economic growth.

3. State the major classification of Economy sectors followed by India?
- a) Large scale and Small scale
 - b) Agrarian and Industry
 - c) Trade and Industry
 - d) **Public sector and private sector**

Explanation

The Government of India has opted for a mixed economy where it is mainly classified into Public sector and Private sectors.

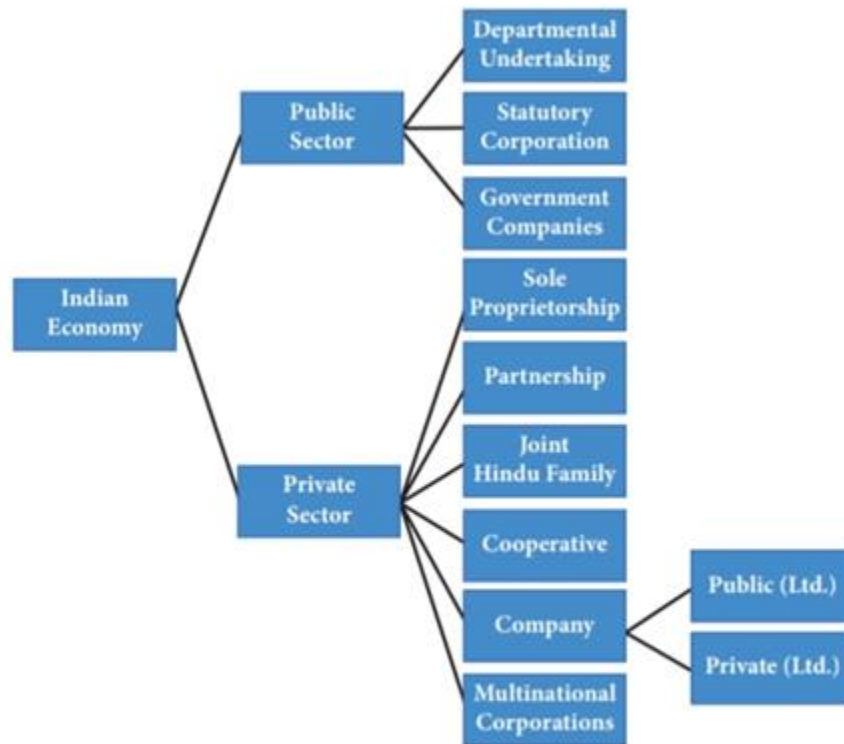
4. Identify the Correct statements
- i) Public Sectors contribute for the partial Economic growth in India.
 - ii) Private sector is on profit motive.
- a) i only
 - b) i and ii
 - c) **ii only**
 - d) none of the above

Explanation

Public sector Industries are under the ownership of the Government and it enables the full growth in an economy. Private sectors are under the ownership of private people which is on profit motive.

5. Under which sector the Cooperative societies are categorized?

- a) Public Sector
 b) **Private sector**
 c) Rural sectors
 d) small scale sector

Explanation**Definition of Public Sector**

6. Assertion (A): Public sector is involved in providing the government goods and services to the General public.

Reasoning (R): The Central Government only owns all the enterprises and bodies.

- a) Both A and R is true and R is the correct explanation of A.
 b) Both A and R is true but R is not the correct explanation of A.
 c) **A is true but R is False.**
 d) Both A and R is False.

Explanation

The Sector which is involved in the activities of providing the Government goods and services to the general public is called as Government Sectors. These sectors are controlled owned and run by Central Government, State Government or a Local Government.

7. Choose the incorrect statements

- i) The British owned companies contributed for the economic growth of India before Independence.
- ii) There were about eighteen ordinance factories in the country owned by both British and French.
- iii) After the Independence the Industrialisation Economy was seen as the key to economic development of India.
- a) i only
- b) **i and ii only**
- c) ii and iii only
- d) iii only

Explanation

When India achieved Independence in 1947, it was primarily an agricultural country with a weak industrial base. There were only 18 Indian ordinance factories which were established by the British for their own profit and to rule the subcontinent. The National consensus was in favour of rapid Industrialisation of the economy as it was the key to the economic development.

8. When the first Industrial policy resolution was announced?
- a) 1949 c) 1947
- b) 1940 d) **1948**

Explanation

The First Industrial Policy Resolution was announced in 1948 laid down broad contours of the strategy of Industrial development.

9. Who was not associated with the Bombay plan 1940?
- a) Mr J.R.D.Tata c) Mr G.D Birla
- b) Dr.John Matthai d) **Jawaharlal Nehru**

Explanation

The Prime objective of the Bombay Plan 1940 was to achieve a balanced economy to raise the standard of living of the population masses. The important people associated with this plan were J.R.D. Tata, G.D. Birla, P. Thakurdas, Kasturbhai Lalbhai, Sir Shri Ram, A.D. Shroff, Dr. John Matthai

10. Name the Finance minister of India who announced the formation of Planning Commission?
- a) **John Matthai** c) Sir Ramasamy Chetti
b) V.T. Krishnamachari d) Jawaharlal Nehru

Explanation

The Planning commission of India was created by March 1950 Resolution. The Finance minister John Mathai announced the setting up of the Planning Commission in his 1950 Budget.

11. What are the main objectives of 1951, Industries Development Act?

- a) Implement Industrial Policy
- b) Regulation and development of Industries
- c) Planning and Developing New undertakings
- d) **All the above**

Explanation

The Industrial Act was enacted in 1951 with the objective of empowering the Government to take necessary steps to regulate Industrial development.

12. Who believed in the concept of Industrial Modernisation economy in India?

- a) Dr.John Matthai
- b) V.T.Krishnamachari
- c) **Jawaharlal Nehru**
- d) Sardar Vallabhai patel

Explanation

The Former Prime Minister Jawaharlal Nehru promoted an economy based on import substitution industrialisation and advocated a mixed economic system. He believed that the establishment of basic and heavy industry was fundamental to the development and modernisation of Indian Economy.

13. Which Five year plan promoted the Industrial policy Resolution of 1956?

- a) First Five year plan
- b) **Second Five year plan**
- c) Third Five Year plan
- d) Fifth Five year Plan

Explanation

India's second five year plan (1956-60) and the Industrial Policy Resolution of 1956 emphasized the development of Public sectors to meet Nehru's National Industrial Policies.

14. Who was the Father of Public sector undertaking in India?

- a) **Dr V.Krishnamurthy**
- b) Dr John Matthai
- c) P.C.Mahalanobis
- d) Jawaharlal Nehru

Explanation

Jawaharlal Nehru vision of developing of Industries in Modernisation of the Indian Economy idea was carried forward by Dr V. Krishnamurthy who is known as the Father of Public Sector Undertakings in India.

15. When did the Multi-national companies entered into the Indian Economic system?

- a) 1990
- b) 1992
- c) 1951
- d) **1991**

18. State some of the services provided by the Public sectors to the people?

- a) Postal Services
- b) Health Services
- c) Railway Services
- d) **Automobile Services**

Explanation

Public sector is the largest sector in India with service motive. It works for the upliftment of the people by providing the following services to the people: Postal Services, Railway services, providing security, Education and Health facilities at low cost and generation of employment Opportunities etc.

19. What are the various organs of Public sector in India?

- a) Administered by a Government Department
- b) Public Corporation
- c) The Joint sector Companies
- d) **all the above**

Explanation

There are mainly three organs of Public sectors in India,

Organs of public sector:

1. Administration by a Government Department

It is very common almost in all countries.

Example - Post and Telegraph, Railways, Port Trust, Irrigation Projects on India etc.,



Chennai Port

2. The Joint sector companies:

It is governed by a company law and controlled by the Government as principal major share holders. Example - Indian Oil Petronas pvt ltd, Indian Oil Sky tanking Limited. Ratnagiri Gas and Power Private Limited, Indian Synthetic Rubber Limited.



Indian Oil Petronas Pvt. Ltd.

3. Public Corporation :

This type of organization is the establishment of public corporation by the state of the parliament of legislature. Example - LIC, Air India, The Reserve bank of India, Electricity Board



Reserve Bank of India

20. Which sector is common in all countries?

- a) Joint sector companies
- b) Public corporation
- c) **Government administration**
- d) Society sectors

Explanation

There are three main organs of the public sector in which the administration by a government departments are common in almost all of the countries.

21. Choose the incorrect statements regarding Joint sector companies

- i) The joint sector companies are governed by company law.
 - ii) These are controlled only by the State Government as principal major shareholders.
- a) i only c) None of the above
b) ii only d) all the above

Explanation

The joint sector companies are governed by a company law and controlled by the government as principal major shareholders.

22. i) LIC is a Joint Sector Company

- ii) Public Corporation are organised by the state of parliament of legislature

State the correct statements

- a) i only c) i and ii
b) ii only d) all the above

Explanation

Public corporations are the establishment of public corporation by the state of the parliament of legislature. Some of the examples of this kind of organisations are LIC, Air India, and The Reserve bank of India

23. By which year resolution the industries are classified into three categories?

- a) 1956 c) 1957
b) 1951 d) 1953

Explanation

The Public sector of India owes its origin in the 1956 Industrial policy Resolution of the Government of India. This resolution classified Industries into three categories.

24. Choose the correct statements

- i) In Schedule-B the private sectors take the sole responsibility for starting new units.
 - ii) The Industries which are exclusively owned by the state are referred to as Schedule -A
- a) i only c) None of the above
b) ii only d) all the above

Explanation

The 1956 resolution of India classified Industries into three categories

Schedule-A: Public sector owned by Government

Schedule-B: The Industries in which private sector could supplement the efforts of the state sector and the state taking the sole responsibility for starting new units.

Schedule-C: The Remaining Industries which belongs to private sector.

25. Which falls under the category of High Technology public sector?

- | | |
|------------------|--------------------------------|
| a) Atomic Energy | c) Heavy Engineering |
| b) MECON | d) Telecommunication Equipment |

Explanation

Public sectors are divided into nine categories. These enterprises which are exclusively meant for High technology industries are Atomic Energy.

26. Which does not fall under the category of Capital intensive industries?

- | | |
|------------------|-------------|
| a) Ship Building | c) Mining |
| b) Chemicals | d) Railways |

Explanation

Public sectors plays an entrepreneurial role in capital intensive industries like iron ore, Petroleum, Chemicals, Fertilizers, Mining, Ship Building and Heavy Engineering.

27. Which of these Public sectors have high control of the commanding Heights of the economy?

- | | |
|------------|------------------|
| a) Defence | c) Banks |
| b) Steel | d) All the above |

Explanation

The Public enterprises also to have high control of the "Commanding Heights of the Economy". For example Defence, Banks, Coalmines, Oil, Steel etc.

28. Match

- | | |
|---------|-----------------------|
| A. Drug | i) Sick Private Units |
|---------|-----------------------|

- B. Textile ii) Trade Corporation
C. FCI iii) Consumer Oriented
D. MECON iv) Consultancy
- a) ii, i, iii, iv c) iv, ii, i, ii
b) iii, i, ii, iv d) i, iv, iii, ii

Explanation

- 6) Consumer oriented public sector undertakings. eg. Drug, Paper, Hotels etc.
7) Public Sector enterprise which is set up in order to take over the sick private units, e.g.: Textile, Engineering etc.
8) Public sector enterprises which are set up as Trade Corporation, e.g.: FCI, CCI etc.
9) Public sector enterprises which serves as a consultancy and engineering service etc. e.g. MECON.

29. NITI Aayog body came into effect from?

- a) Jan, 2014 c) Jan, 2015
b) April, 2015 d) March, 2014

Explanation

NITI Aayog is a policy think tank and a truly advisory body formed on January 1, 2015.

30. State some of the factors by which Socio-economic developments are measured?

- a) GDP c) Life Expectancy
b) Literacy d) Levels of Employment
e) All the above

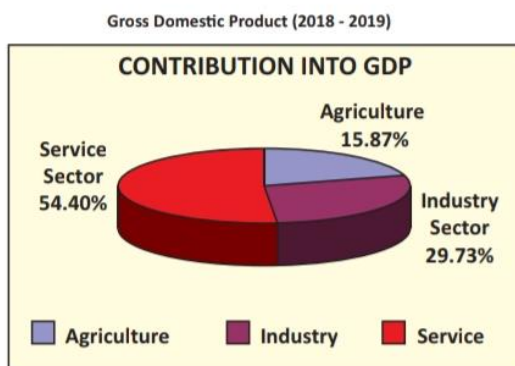
Explanation

Socio-Economic Development is the process of social and economic development in a society. This development is measured with indicators such as GDP, Life expectancy, Literacy, Levels Of employment etc.

31. Which of the Industries has contributed more to GDP according to 2018-19?

- a) Agriculture
- b) Industries
- c) **Service sector**
- d) Textiles

Explanation



32. Which of these indicates an increase in public spending?

- a) Increase in Life expectancy
- b) **Proportional increase in GDP**
- c) Increase in Employment
- d) Capital investment increase

Explanation

GDP supports in developing Socio Economic development. The proportion of GDP by the Industrial sectors both private and Public sector has been increased results in increasing government funds and increase in public spending.

33. According to the 2011 Census of India, what is the maximum life expectancy for women?

- a) 68.25
- b) 67.33
- c) **68.33**
- d) 63.88

Explanation

According to the 2011 census of India, Life expectancy in India is 65.80 for men and 68.33 for women. Government provides high degree of health measures through various programmes.

34. Name the scheme announced by the government in Union Budget 2018-19 for poor families?

- a) NHPS
- b) NULM
- c) UJALA
- d) NCS

Explanation

The Union Government of India announced National Health Production Scheme (NHPS) in the 2018-19 Budget. This serves poor and vulnerable families.

35. SSA programme of Indian Government assures

- i) Free education
 - ii) Children up to 6 years
 - iii) With Life skills
- a) i only
 - b) iii only
 - c) i, ii only
 - d) all the above

Explanation

Sarva Siksha Abhiyan is government of India's flagship programme. It is implemented for making free and compulsory education to the children of 6 to 14 years with life skills.

36. Name the schemes which are related to literacy?

- a) RMSA
 - b) Computer skill classes
 - c) Smart class
 - d) Eco friendly study environment
- e) All the above

Explanation

Education skill plays a vital role in the socio economic development. The government also introduced RMSA, Smart class, E-learning, free Computer skill classes and eco-friendly environment for studying and Digital India for increasing the level of quality in education.

37. The first Greenfield Industrial Smart city scheme was introduced in _____, India.

- a) New Delhi
- b) Varanasi
- c) Aurangabad
- d) Bangalore

Explanation

The increase in urban population because of employment search made the government to start the Smart City scheme. On 7 September 2019, Aurangabad Industrial City in Aurangabad, Maharashtra was inaugurated as the first Greenfield industrial smart city of India.

38. Which of the schemes can be used to increase the life cycle of the people?

- a) Providing clean water
- b) Overcome diseases
- c) Sanitary facilities
- d) all the above

Explanation

Government sector provides housing facilities, clean drinking water facilities and sanitary facilities under clean India planning. By providing these facilities the Life cycle of the people increases.

39. Assertion (A): Public sector has contributed a lot in the improvement of working and living conditions of workers.

Reasoning (R): Employment Generation is also an objective of a Public sector.

- a) Both A and R is true and R is the correct explanation of A.
- b) Both A and R is true but R is not the correct explanation of A.
- c) A is true but R is False.
- d) Both A and R is False.

Explanation

Public sector has created millions of jobs to tackle the unemployment problem in India. it has also contributed a lot towards the improvement of working and living conditions of workers by serving as a Model Employer.

40. Which of these sectors have contributed for India's export?

- a) STC
- b) BHEL
- c) MMTC
- d) All the above

Explanation

Some public enterprises have done much to promote India's export. The STC, MMTC, Hindustan Steel Ltd, Bharat Electronics Ltd, The Hindustan Machine Tools etc. have done well in export promotion.

41. Which of these sectors does not falls under the Import Substitution to save foreign exchange?

a) ONGC

c) IOCL

b) BHEL

d) BSNL

Explanation

Some public sectors were started to produce goods which were formerly imported to save foreign exchange. ONGC, BHEL, IOCL have saved foreign exchange by way of import substitution.

42. Choose the correct sentences

i) Public sector is profit oriented.

ii) Tax evasion is not possible in Private sectors.

iii) Reservations are implemented in Public sectors.

a) i, ii only

c) i and iii

b) iii only

d) all the above

Explanation

5.	Public sector industries: Example NLC, SAIL, BSNL	Private sector industries: Example TVS Motors, Ashok Leyland, TATA Steel
6.	No tax evasion	Tax evasion is possible
7.	It is service oriented	It is purely profit oriented
8.	Reservations are implemented. Priority is given to the socially backward people	It does not care the socially backward class, reservation is not followed

43. The Maharatna Industries satisfy the criteria's

- i) Five years of average annual net worth of 2500 crore rupees.
- ii) Average annual turnover of 25,000 crores for 3 years
- iii) Average annual net worth of 10,000 crore for 3 years
- a) i, ii only c) iii only
- b) ii,iii only d) all the above

Explanation

Maharatna Industries

Three years with an average annual net profit of over ₹ 2500 crore, or Average annual Net worth of ₹ 10,000 crore for 3 years, or Average annual Turnover of ₹ 20,000 crore for 3 years (against ₹ 25,000 crore prescribed earlier) are called as Maharatna industries.

- National Thermal Power Corporation (NTPC)
- Oil and Natural Gas Commission (ONGC)
- Steel Authority of India Limited (SAIL)
- Bharat Heavy Electricals Limited (BHEL)
- Indian Oil Corporation Limited (IOCL)
- Coal India Limited (CIL)
- Gas Authority of India Limited (GAIL)
- Bharat Petroleum Corporation Limited (BPCL)

44. How many independent directors are essential for a Miniratna company?

- a) 3
b) 4
- c) 5
d) 2

Explanation

A company must first be a Miniratna and have four independent directors on its board before it can be made a Navratna

45. Which of the parameters are included for a Navratna Industry?

- a) Net profit c) Total manpower cost
- b) Total cost of Production d) All the above

Explanation

Based on six parameters which include net profit, net worth, total manpower cost, Total cost of production cost of services, PBDIT, Capital employment score of sixty out of 100 is needed for Navratna Industries.

46. Match

- | | |
|---------------|----------|
| A. Miniratna1 | i) SAIL |
| B. Miniratna2 | ii) HMT |
| C. Navratna | iii) AAI |
| D. Maharatna | iv) BHEL |

- | | |
|-------------------|-------------------|
| a) i, iii, iv, ii | c) iv, iii, ii, i |
| b) iii, ii, iv, i | d) ii, iv, i, iii |

Explanation

Maharatna Industries

Three years with an average annual net profit of over ₹ 2500 crore, or Average annual Net worth of ₹ 10,000 crore for 3 years, or Average annual Turnover of ₹ 20,000 crore for 3 years (against ₹ 25,000 crore prescribed earlier) are called as Maharatna industries.

- National Thermal Power Corporation (NTPC)
- Oil and Natural Gas Commission (ONGC)
- Steel Authority of India Limited (SAIL)
- Bharat Heavy Electricals Limited (BHEL)
- Indian Oil Corporation Limited (IOCL)
- Coal India Limited (CIL)
- Gas Authority of India Limited (GAIL)
- Bharat Petroleum Corporation Limited (BPCL)



Navratna Industries

A score of 60 (out of 100), based on six parameters which include net profit, net worth, total manpower cost, total cost of production, cost of services, PBDIT (Profit Before Depreciation, Interest and Taxes), capital employed, etc., and a company must first be a Miniratna and have 4 independent directors on its board before it can be made a Navratna.

- Bharat Heavy Electronics Limited (BHEL)
- Container Corporation of India (CONCOR)
- Engineers India Limited (EIL)
- Hindustan India Limited (HAL)
- Hindustan Petroleum Corporation Ltd. (HPCL)
- Mahanagar Telephone Nigam Ltd (MTNL)
- National Aluminum company (NALCO)
- Neyveli Lignite Corporation India Ltd. (NLCIL)
- Oil India Ltd. (OIL)
- Shipping corporation of India (SCI)



Miniratna Industries - 1

Have made profits continuously for the last three years or earned a net profit of Rs. 30 crore or more in one of the three years.

Some Miniratna Industries – 1 are

- Airports Authority of India (AAI)
- Bharat Dynamics Ltd. (BDL)



Miniratna Industries - 2

Have made profits continuously for the last three years and should have a positive net worth.

Some Miniratna Industries – 2 are

- HMT (International) Limited
- Indian Medicines & Pharmaceuticals Corporation Limited
- MECON Limited
- Mineral Exploration Corporation Limited
- National Film Development Corporation Limited
- Bharat Pumps & Compressors Limited



Bharat Pumps & Compressors Limited

47. Assertion (A): Miniratna industries 1 have made profits continuously for the last three years

Reasoning(R): Miniratna industries 2 should have a positive net worth for last three years.

- a) Both A and R is true and R is the correct explanation of A.
- b) Both A and R is true but R is not the correct explanation of A.**
- c) A is true but R is False.
- d) Both A and R is False

Explanation**Miniratna Industries - 1**

Have made profits continuously for the last three years or earned a net profit of Rs. 30 crore or more in one of the three years.

Some Miniratna Industries – 1 are

- Airports Authority of India (AAI)
- Bharat Dynamics Ltd.(BDL)

**Miniratna Industries - 2**

Have made profits continuously for the last three years and should have a positive net worth.

Some Miniratna Industries – 2 are

- HMT (International) Limited
- Indian Medicines & Pharmaceuticals Corporation Limited
- MECON Limited
- Mineral Exploration Corporation Limited
- National Film Development Corporation Limited
- Bharat Pumps & Compressors Limited



Bharat Pumps & Compressors Limited

48. Choose the incorrect statements regarding Private sector

- i) The segment of a national economy that is owned by private individuals or enterprises is known as private sector.
- ii) The private sectors can be created in various ways.
- iii) These are divided on the basis of formation.

- a) i only
- b) ii only
- c) ii, iii only
- d) All the above

Explanation

The segment of a national economy that is owned controlled and managed by private individuals or enterprises are known as private sectors. These are divided on the basis of the sizes. They can be created in two ways.

49. Assertion (A): The contribution of private sector is very large in Economic development.

Reasoning (R): This was due to the development of Medium, small and Micro industries.

- a) Both A and R is true and R is the correct explanation of A.
- b) Both A and R is true but R is not the correct explanation of A.
- c) A is true but R is False.
- d) Both A and R is False

Explanation

Even the vast expansion of public sector, the contribution of private sector continued to be very large. This was due to the development of Medium, small and very small or Micro industries.

50. Which of these industries are dominated by private Sectors?

- a) Defence
- b) Airways transport
- c) Atomic Energy
- d) Mining

Explanation

The contribution of private sectors towards national production is higher than the public sector. Private sector is dominated in Road, ship, and Airways transport and also in Consumer industries.

51. Which of the following does not fall under the category of private Companies?

- a) Infosys
- c) Reliance Industries

b) Tata Group of companies

d) Bharat pumps and Industries

Explanation**Major private companies**

- Infosys
- Aditya Birla Company
- Reliance Industrial companies
- Tata Group of companies
- WIPRO Limited
- Hindustan Unilever Limited
- ICICI Bank Limited.

52. The Main function of private sector is to create _____ and _____.

a) Innovations, Modernizations

c) Innovations, Privatisation

b) Profit, Net worth

d) Turn over, Brand

Explanation

The main function of private sector is to create Innovations and modernization. The profit motive drives them to invent, innovate and manage the productive activities in a scientific manner.

53. Which is the most dominant private sector in India?

a) Mining

c) Coal

b) Agriculture

d) Communication

Explanation

Agriculture and other allied activities like dairying, Animal husbandry, poultry etc. are the most dominant sector of India. This is totally under the control of the Private sector.

54. Identify the correct statement

i) The Major portion of Industrial sector engaged in the non-strategic areas is under the control of the private sector.

ii) India is a mixed economic country

a) i only

c) ii only

- b) i and ii only d) none of the above

Explanation

India being a mixed economy has assigned a great importance on the private sector of the country. The major portion of the industrial sectors is engaged in non- strategic and light areas is under the control of private sector.

55. Private sectors promote

- a) Existing Business c) Human capital development
- b) SMME enterprises **d) All the above**

Explanation

The Main functions Of private sector includes various factors like developing and maintaining infrastructure and services. Promote and expand existing business and human capital development. It also promotes small, micro and medium enterprises through supply side measures and demand side measures and attracts investment in the city.

56. Which industry sector ensures the proper wages and equality of wealth?

- a) Private sector c) Public sector
- b) Societies d) Agricultural sector

Explanation

The Public sector industries ensure the proper wages for the workers and it does not allow concentrating huge wealth in few people.

57. Assertion (A): Private sector takes over the responsibility to prevent sick units closing down.

Reasoning(R): Public sectors prevent unnecessary locking of capital, land, building, machinery etc.

- a) Both A and R is true and R is the correct explanation of A.
b) Both A and R is true but R is not the correct explanation of A.
c) **A is False but R is true.**
d) Both A and R is False

Explanation

Protecting sick industries is done by some public sectors to prevent closing down. It prevents unnecessary locking of capital, land, Building, machinery etc.

58. Assertion (A): A growing number of people moved urban areas in search of employment.

Reasoning(R): To promote rural area employment private sectors are encouraged to start industries.

- a) Both A and R is true and R is the correct explanation of A.
- b) Both A and R is true but R is not the correct explanation of A.
- c) A is true but R is False.
- d) Both A and R is False

Explanation

There is a clear shift in employment in to secondary and tertiary sector. Urban population is increased by the people movement towards urban areas for employment. Lot of private sectors are encouraged to start industries in Rural and backward areas by providing tax benefits.

59. Which factor brings complete transformation in Socio economic life of backward parts of the country?

- a) Balanced Regional Development
- b) Employment Generation
- c) Economic Development
- d) Export promotion

Explanation

Public sectors have located their plants in backward parts of the country. These areas lacked industrial and civic facilities. Public enterprises have developed these facilities which bring complete transformation in the Socio-economic life of people in these regions.

60. Which power of planning commission is changed to Finance ministry due to NITI Aayog?

- a) Funds allocation
- b) Budget
- c) Financial Planning
- d) Trade control

Explanation

NITI Aayog replaced 65 years of Planning commission. The Power of allocating funds to the States and ministries of planning commission are now transferred to the Finance Ministry.