

AGRICULTURE SECTOR, SUBSIDY AND FOOD PROCESSING 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. Which of the following are responsible for the decrease of per capita holding of cultivated land in India?

- Low per capita income.
- Rapid rate of increase of population.
- Practice of dividing land equally among the heirs.
- Use of traditional techniques of ploughing.

Select the **correct** answer using the codes given below

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

Q2. With reference to Indian agriculture, consider the following statements:

- Agriculture provides direct livelihood to 59% of the labour force in India.
- It contributes more than 20% to the GDP
- It accounts for about 10% of the total value of India's commodity exports
- Almost 80% of the area under agriculture is irrigated.

Which of the above statement/s is/are **correct**?

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

Q3. Increase in agricultural production is due to:

- increase in cultivable area.
- improvement in yield
- better cropping pattern

- implementation of land reforms:

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

Q4. An objective of the National Food Security Mission is to increase the production of certain crops which are

- a) Rice, wheat and pulses only
- b) Rice, wheat, pulses and oil seeds only
- c) Rice and wheat only
- d) Rice, wheat, pulses, oil seeds and vegetables

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Q5. Consider the following statements:

- In India, the Nutrient Based Subsidy (NBS) Policy for fertilizers was implemented in 2010.
- The Nutrient Based Subsidy (NBS) Policy for fertilizers is applied only to nitrogen and phosphorus-based fertilizers.
- India is meeting 85% of its urea requirement through indigenous production.

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

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

Q6. The importance of agriculture in Indian Economy is indicated by its contribution to which of the following?

- a) Industrial development and international trade
 - b) Supply of foodgrains
 - c) National income and employment
 - d) All of the above
-

Q7. Where is the Indian Institute of Sugarcane Research Institute situated?

- a) Varanasi
 - b) Kanpur
 - c) New Delhi
 - d) Lucknow
-

Q8. Consider the following statements

- Food for Work Programme was launched in India during the 10th Five Year Plan.
- The Planning commission in India is a constitutional body.

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

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

Q9. Which of the following has **not** been a component of the agriculture strategy that brought about the Green Revolution?

- a) Guaranteed maximum prices
 - b) New agricultural technology
 - c) Greater intensity of crops
 - d) Package of inputs
-

Q10. In India, agriculture income is calculated by

- a) input method
 - b) expenditure method
 - c) output method
 - d) commodity flow method
-

Q11. Which one of the following is the main objective of the Farm Income Insurance Scheme?

- a) To provide income protection to the farmers by insuring market risks
 - b) To provide income protection to the farmers by insuring production
 - c) To provide income protection to the farmers by providing the insured seeds to farmers
 - d) Both (a) and (b)
-

Q12. Consider the following statements :

- Agriculture including allied activities accounted for about 55% employment in the country according to census 2011.
- The growth in agriculture and allied sectors is a necessary condition for inclusive growth in India.

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

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

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Q13. Which of the following statements are true regarding “Farmer Producer Organization” (FPO):

- i. It is a legal entity formed by farmers, fishermen, rural artisans etc.
- ii. NABARD is providing support for promotion of FPOs

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

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

Q14. Consider the following statements :

- 20-point programme of the Indian Government includes the measures to uplift the landless workers.
- The 20-point programme was started by Janata Party Government in 1978.

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

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

Q15. Consider the following statements.

- The loans disbursed to farmers under Kisan Credit Card Scheme are covered under Rashtiya Krishi Bema Yojna of Life Insurance Corporation of India
- The Kisan Credit Card holders are provided personal accident insurance of ` 50,000 for accidental death and ` 25,000 for permanent disability.

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
-

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Answers to the above questions :

Q1. Answer: (c)

Rapid rate of increase of population and practice of dividing land equally among the heirs are responsible for the decrease of per capita holding of cultivated land in India.

Q2. Answer: (c)

Q3. Answer: (a)

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Q4. Answer: (a)

'National Food Security Mission', had been launched from the rabi season 2007–08 to increase the production of rice by 10 million tons, wheat by 8 million tons pulse by 2 million tons decided by National Development Council.

Q5. Answer: (c)

Nutrient Based Subsidy (NBS) Policy on decontrolled Phosphatic and potassic fertilizer came into effect from 1st April 2010.

It has been decided to fix the subsidy on the nutrients:

- 'N' – Nitrogen,
- 'P' – Phosphorus,
- 'K' – Potash and
- 'S' – Sulphur contents.

India is meeting 85% of the urea fertilizer through indigenous production. However, we are deficient in phosphatic and potassic resources and around 90% is imported.

Q6. Answer: (d)

The importance of agriculture in the Indian Economy is indicated by its contribution to national income, industrial development and supply of foodgrains.

It contributes around 13.7% to GDP, supplies raw materials for the development of industries along with supplying food grains for livelihood.

Q7. Answer: (d)

The Indian Institute of Sugarcane Research (acronym IISR) is an autonomous institute of higher learning, established under the umbrella of the Indian Council of Agricultural Research (ICAR) by the Ministry of Agriculture, Government of India for advanced research in sugar cane agriculture.

The institute is located on Raibareli Road, Dilkusha in Lucknow, Uttar Pradesh, India.

Q8. Answer: (b)

According to The National Food for Work Programme, food subsidy should be better targeted through targeted public distribution system and specific programmes for the poor like Food for Work Programme.

The National Food for Work Programme was launched on 14 November 2004 in 150 of the most backward districts of India with the objective of generating supplementary wage employment. The Planning commission is not a constitutional body.

Q9. Answer: (a)

The Directorate of Marketing and Inspection (DMI) headed by the Agricultural Marketing Advisor, Department of Agriculture & Cooperation (DAC) implements agricultural marketing policies and programmes of the Government of India.

It undertakes:

- Standardisation,
- Grading and Quality Control of Agricultural and Allied produce,
- Market Research and Surveys along with other functions.

Q10. Answer: (c)

In India, agriculture, forestry and logging, fishing, mining and quarrying, registered manufacturing and construction units are included in category A. The output method is applied to category A.

The value added by this category is found by subtracting the value of raw materials and other inputs from the aggregate of commodity-wise output.

Expenditure Method-This method measure National income sum total of final expenditure incurred by household, business firm, Govt. & Foreigners.

Commodity flow method - This method is used to estimate the purchase of commodities by intermediate or final users. This method generally begins with an estimate of the total supply of a commodity available for domestic users.

Q11. Answer: (d)

The Central Government formulated the Farm Income Insurance Scheme (FIIS) during 2003-04. The two critical components of a farmer's income are yield and price. FIIS targeted these two components through a single insurance policy so that the insured farmer could get a

guaranteed income.

The scheme provided income protection to the farmers by insuring production and market risks. The insured farmers were ensured minimum guaranteed income (that is, average yield multiplied by the minimum support price). If the actual income was less than the guaranteed income, the insured would be compensated to the extent of the shortfall by the Agriculture Insurance Company of India.

Initially, the scheme would cover only wheat and rice and would be compulsory for farmers availing crop loans. NAIS (explained in the section below) would be withdrawn for the crops covered under FIIS but would continue to be applicable for other crops.

Q12. Answer: (c)

The growth in agriculture and allied sectors is a necessary condition for inclusive growth in India.

Agriculture including allied activities accounted for about 55% employment in the country according to census 2011.

Q13. Answer: (a)

A Producer Organisation (PO) is a legal entity formed by primary producers, viz. farmers, milk producers, fishermen, weavers, rural artisans, craftsmen. A PO can be a producer company, a cooperative society or any other legal form which provides for sharing of profits/benefits among the members.

The main aim of PO is to ensure better income for the producers through an organization of their own. Farmers Producer Organization (FPO) is one type of PO where the members are farmers.

Small Farmers' Agribusiness Consortium (SFAC) and NABARD are providing support for the promotion of FPOs.

Q14. Answer: (b)

The Twenty Point Programme was initially launched by Prime Minister Indira Gandhi in 1975.

The basic objective of the 20-Point Programme was to eradicate poverty and to improve the quality of life of the poor and the underprivileged population of the country including landless workers.

Q15. Answer: (c)

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