

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. Consider the following statements :

- India is meeting 85% of the urea fertilizer through indigenous production.
- India produces a surplus amount of fertilizers containing phosphorous and potassium.

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

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

Q2. Indian agriculture is typically characterised as

- a) land surplus, labour surplus economy
 - b) land scare, labour surplus economy
 - c) land surplus, labour scare economy
 - d) land scare, labour scare economy
-

Q3. Which one of the following methods of soil conservation is most effective in arid areas?

- a) Shelter belt
 - b) Gully plugging
 - c) Mulching
 - d) Terracing
-

Q4. Which one of the following ministries is implementing the National Bamboo Mission in India?

- a) Ministry of Rural Development
- b) Ministry of Science and Technology
- c) Ministry of Agriculture
- d) Ministry of North-Eastern Region

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Q5. Which one among the following is **not** a source of tax revenue for the Central Government in India ?

- a) Service tax
- b) Income tax
- c) Customs duties
- d) Motor Vehicle tax

Q6. Consider the following statements regarding “**Protection of Plant Varieties and Farmers Rights (PPVFR) Act 2001**”:

- i. The ‘Breeder’ of the new variety will decide the royalty
- ii. The farmer is allowed to sell his unbranded farm produce including seeds of a variety protected under this act

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

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

Q7. Consider the following statements :

- India has about 15% of the livestock population of the world.
- India is second to China in the population of buffalo livestock in the world.

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

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

Q8. Arrange the following in the descending order of the largest agricultural imports of India:

- Pulses
- Wood and Wood Products
- Edible Vegetable Oils

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

Q9. With reference to the agriculture sector of India, consider the following statements

- Rural Infrastructure Development Fund disperses loans to the states to complete the minor irrigation projects.
- Rural Infrastructure Development Fund is managed by the public sector commercial banks.

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

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

Q10. When was the National Food Security Mission (NFSM) launched in India?

- a) Kharif Season (1999–2000)
- b) Rabi Season (2007–2008)
- c) Rabi Season (1999–2000)

d) Kharif Season (2007–2008)

Q11. FCI stores the food grains procured for the central pool in the following:

- i. FCI's own godowns
- ii. Central Warehousing godowns
- iii. State Warehousing godowns
- iv. Godowns hired from private sector

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

- a) (ii) & (iv)
 - b) (i) only
 - c) (i), (ii) & (iii) only
 - d) All of the above
-

Q12. Which is **not** a source of agriculture finance in India?

- a) Commercial Banks
 - b) Regional Rural Banks
 - c) Co-operative societies
 - d) None of these
-

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Q13. In which five year plan in Indian Economy, the targets for the crop function were **not** fixed for the first time-

- a) Eighth five year plan
 - b) Seventh five year plan
 - c) Ninth five year plan
 - d) Tenth five year plan
-

Q14. What is **correct** statement with regard to buffer stocking?

- I. It is the practice of holding large stocks by government agencies like Food Corporation of India (FCI) and releasing the stocks in the market to counter price rise
- II. The buffer stock also helps to maintain the Public Distribution System (PDS).

- a) Both I & II
- b) Only I
- c) Only II
- d) None of the above

Q15. Which among the following statements is/are true with regard to WTO membership?

- All WTO members automatically receive the 'most favoured nation' status.
- Over 75% of WTO members are from developing countries, WTO membership allows them access to developed markets at the lower tariff.

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

- 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)

In the given statements, India is meeting 85% of the urea fertilizer through indigenous production is correct.

However, we are deficient in phosphatic and potassic resources and around 90% is imported.

Q2. Answer: (b)

Indian agriculture is typically characterised as land scarce, labour surplus economy. India has high man/land ratio. There is a large number of unskilled labour but there is absence of land or capital.

Q3. Answer: (a)

The shelterbelt method of soil conservation is most effective in arid areas. A shelterbelt is a barrier of trees or shrubs.

The term “field shelterbelt” is used to distinguish between rows of trees or shrubs on agricultural fields from those planted in other ways: around farmyards or livestock facilities (farmstead shelterbelts).

It controls soil erosion and traps the moisture which is necessary to grow crops in such regions.

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Q4. Answer: (c)

With a view to harnessing the potential of the bamboo crop, the Department of Agriculture & Cooperation (DAC), Ministry of Agriculture is implementing a 100% Centrally Sponsored Scheme called Mission for Integrated Development of Horticulture (MIDH) in which the National Bamboo Mission (NBM) is being implemented as a sub-scheme.

The Mission envisages promoting holistic growth of the bamboo sector by adopting the area-based, regionally differentiated strategy and increasing the area under bamboo cultivation and marketing. Under the Mission, steps have been taken to increase the availability of quality planting material by supporting the setting up of new nurseries and strengthening existing ones.

To address forward integration, the Mission is taking steps to strengthen the marketing of bamboo products, especially those of handicraft items.

Q5. Answer: (d)

Motor Vehicle tax is not a source of tax revenue for the central government in India.

Q6. Answer: (c)

The PPVFR Act 2001 provides for the establishment of an effective system for the protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants. The breeder will be entitled to benefit-sharing (royalty) under this Act as decided by the PPVFR Authority.

The farmer shall be deemed to be entitled to save, use, sow, resow, exchange, share or sell his farm produce including seed of a variety protected under this Act in the same manner as he was entitled before the coming into force of this Act, provided that the farmer shall not be entitled to sell branded (packaged) seed of a variety protected under this Act.

Q7. Answer: (b)

Regarding the livestock population, India has about 15% of the livestock population of the world.

However, the world population of buffalo has been estimated at over 140 million head. Of these, 97 per cent are found in Asia and the Pacific regions, mainly in India (75 million), China (21 million), Pakistan (14 million).

Q8. Answer: (d)

Q9. Answer: (b)

The RIDF was set up by the Government in 1995-96 for financing ongoing rural Infrastructure projects.

The Fund is maintained by the National Bank for Agriculture and Rural Development (NABARD).

The scope of RIDF has been widened to include activities such as rural drinking water schemes, soil conservation, rural market yards, rural health centres and primary schools, mini hydel plants, Shishu Shiksha Kendra, Anganwadi, and system improvement in the power sector.

The activities to be financed under RIDF include minor irrigation projects/micro-irrigation, flood protection, watershed development/reclamation of waterlogged areas, drainage, forest development, market yard/godown, apna mandi, rural haats and other marketing infrastructure, cold storage, seed/ agriculture/horticulture farms, plantation and horticulture, grading and certifying mechanisms such as testing and certifying laboratories, etc.,

community irrigation wells for irrigation purposes for the village as a whole, fishing harbour/jetties, riverine fisheries, animal husbandry and modern abattoir.

Q10. Answer: (b)

The National Development Council (NDC) on 29th May 2007 adopted a resolution to launch a Food Security Mission comprising rice, wheat and pulses to increase the production of rice by 10 million tons, wheat by 8 million tons and pulses by 2 million tons by the end of the Eleventh Plan (2011–12).

Accordingly, a centrally sponsored Scheme, 'National Food Security Mission', had been launched from the rabi season 2007–08 to operationalize the above-mentioned resolution.

Q11. Answer: (d)

Ref: Economic Survey 2019-20, Vol-II, Page 215

Q12. Answer: (d)

Co-operative societies, Commercial Bank and Regional Rural Bank are sources of agriculture finance in India.

They provide finance under various schemes run by central government and state governments to purchase seeds, implements, fertilizer, pesticides etc.

Q13. Answer: (d)

Tenth five year plan

Q14. Answer: (a)

Buffer stocking, which is the practice of holding large stocks by government agencies like the Food Corporation of India (FCI) and releasing the stocks in the market to counter price rise.

The buffer stock also helps to maintain the Public Distribution System (PDS).

Q15. Answer: (c)

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