

AGRICULTURE SECTOR, SUBSIDY AND FOOD PROCESSING BASED INDIAN ECONOMY MCQ PRACTICE QUESTIONS AND ANSWERS PDF WITH EXPLANATION

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Q1. Consider the following statements: India continues to be dependent on imports to meet the requirement of oilseeds in the country because

- farmers prefer to grow foodgrains with highly remunerative support prices.
- most of the cultivation of oilseed crops continues to be dependent on rainfall
- oils from the seeds to tree origin and rice bran have remained unexploited
- it is far cheaper to import oilseeds than to cultivate the oilseed crops

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

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

Q2. Consider the following statements:

- Most of the wool produced in India is not enough to fulfil demand of the country
- Most of the wool produced in India is not of apparel grade

Which among the above statements is are **correct**?

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

Q3. The Minimum Support Price and procurement prices for agriculture products are fixed by the Government on the recommendations of

- a) National Development Council
- b) Planning Commission

- c) Competition Commission of India
 - d) Commission for Agricultural Costs and Prices (CACP)
-

Q4. Which one of the following schemes is **not** included in the Rashtriya Krishi Vikas Yojana (RKVY)?

- a) Saffron mission
- b) National mission for protein supplements
- c) Accelerated fodder development programme
- d) All of the above

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Q5. What will be the ultimate impact on the poor and landless farmers if all of a sudden, government decides to raise the Minimum Support Prices of rice & foodgrains inexorably or excessively?

- a) The markets will crash
- b) The poor farmers will become rich
- c) The poor farmers will get poorer
- d) This will encourage the exports of rice and food grains

Q6. Consider the following statements:

- Coconut Palm Insurance Scheme (CPIS) is implemented in the Kerala, Karnataka and Tamil Nadu on Pilot basis.
- Coconut Palm Insurance Scheme (CPIS) is started implementing since 2009–10. 3. 50% subsidy in premium is provided by Government of India and 25% by the concerned state government.

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

- a) 2 and 3 only
- b) 1 only

c) 2 only

d) 1, 2 and 3

Q7. Which statement is **correct** regarding Evergreen Revolution?

- The emphasis in this revolution is on sustainable agriculture by means of organic and green agriculture.
- Dr. MS Swaminathan gave this concept
- It includes the use of integrated pest management, nutrient supply and resource management.

a) Only III

b) I & II

c) Only II

d) All the above

Q8. Consider the following statements:

- Both Coffee and Tea prefer slightly acidic Soil
- Coffee and Tea show winter dormancy

Which among the above statements is / are **correct**?

a) Both 1 and 2 are correct

b) Only 1 is correct

c) Only 2 is correct

d) Neither 1 nor 2 is / are correct

Q9. 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

Q10. Which one of the following agencies is implementing the National Agricultural Insurance Schemes (NAIS) in India?

- a) Life Insurance Corporation of India Limited
 - b) General Insurance Corporation of India Limited
 - c) National Assurance Company of India Limited
 - d) Agriculture Insurance Company of India Limited
-

Q11. The 'Swiss Formula' of World Trade Organisation is related with?

- a) Agricultural subsidy
 - b) Trans-boundary services
 - c) Patent of drugs
 - d) Non-agricultural tariff
-

Q12. Monoculture is a typical characteristic of -

- a) Subsistence farming
- b) Shifting cultivation
- c) Specialized horticulture
- d) Commercial grain farming

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Q13. Which one of the following crops have been exceeding target since 2004-05 in India but its growers have been committing suicide in large numbers in many parts of the country every year?

- a) Cotton
- b) Oilseeds
- c) Pulse

d) Wheat

Q14. Vegetable Oil has been India's largest non-oil import commodity. In this context please consider the following reasons.

- The Food grain are grown more in India because of the remunerative support prices
- The Oil seed cultivation in India is mostly dependent upon the Rain fed Areas
- The import of Vegetable oil has been cost effective

Which among the above statements hold **correct** ?

- a) 1 & 3
 - b) 1 & 2
 - c) 2 & 3
 - d) All are correct statements
-

Q15. Which one of the following agencies of Indian Government implements the price support scheme (PSS)?

- a) NAFED
 - b) FCI
 - c) Agriculture pricing agency of India
 - d) None of the above
-

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Answers to the above questions :

Q1. Answer: (d)

Q2. Answer: (a)

Q3. Answer: (d)

The Commission for Agricultural Costs & Prices (CACP) came into existence in January 1965.

Minimum Support Price (MSP) is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices.

The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP).

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Q4. Answer: (d)

Rashtriya Krishi Vikas Yojana was launched in August 2007 as a part of the 11th Five Year Plan by the Government of India.

Launched under the aegis of the National Development Council, it seeks to achieve 4% annual growth in agriculture through the development of Agriculture and its allied sectors during the period under the 11th Five Year Plan (2007–11).

Q5. Answer: (c)

Q6. Answer: (a)

A pilot Coconut Palm Insurance Scheme (CPIS) was introduced in 2009–10 for the benefit of coconut growers in major coconut growing states –

1. Kerala,
2. Karnataka,
3. Tamil Nadu,
4. Goa,
5. Andhra Pradesh,
6. West Bengal and
7. Maharashtra.

Coconut plants of the age from 4th year to 60th year are covered. Insurance coverage is provided for total loss/death/ becoming useless of the plant.

50% subsidy in premium is provided by the Government of India and 25% by the concerned state government.

Q7. Answer: (d)

The emphasis in this revolution is on sustainable agriculture by means of organic and green agriculture. Dr. MS Swaminathan gave this concept. It includes the use of integrated pest management, nutrient supply and resource management.

Q8. Answer: (b)

Q9. 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.

Agriculture plays a vital role in the Indian economy over 70% of the rural households depend upon Agriculture. Agriculture is an important sector of the Indian economy as it contributes about 17% to the total GDP and provides employment to over 60% of the population.

Q10. Answer: (d)

Agriculture Insurance Company of India Limited is implementing the National Agricultural Insurance Scheme (NAIS) in India. In the year 1999, the National Agricultural Insurance Scheme was introduced by replacing the comprehensive crop Insurance Scheme.

NAIS covers all food crops (cereals and pulses), oilseeds, horticultural and commercial crops. It covers all farmers, both loanees and non-loanees, under the scheme.

Q11. Answer: (c)

In the on-going multilateral trade negotiations at the World Trade Organisation (WTO), it has been decided by all 149 participating countries to use the Swiss formula for reducing import tariffs on industrial goods.

Q12. Answer: (d)

Monoculture is the agricultural practise of producing or growing a single crop or plant species over a wide area and for a large number of consecutive years.

It is widely used in modern industrial agriculture and its implementation has allowed for large harvests from minimal resources.

Monocultures can lead to the quicker spread of pests and diseases, where a uniform crop is susceptible to a pathogen. 'Crop monoculture' is the practice of growing the same crop year after year.

Q13. Answer: (a)

A study conducted in 2014 found that there are three specific characteristics associated with high-risk farmers:

- a. “those that grow cash crops such as coffee and cotton;
- b. those with ‘marginal’ farms of less than one hectare; and
- c. those with debts of 300 Rupees or more.”

The study also found that the Indian states in which these three characteristics are most common had the highest suicide rates and also accounted for “almost 75% of the variability in state-level suicides.

Q14. Answer: (b)

Q15. Answer: (a)

In Order to help the farmers in getting remunerative prices for their produce with a view to encouraging higher investment and also to increase production and productivity of a commodity, the government declares Minimum Support Price (MSPs) for 25 notified agricultural commodities for each Kharif & Rabi crop season.

National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) is one of the Central Nodal Agencies which implements PSS.

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