
CBSE Test Paper-05
Chapter 11 Rural Development

1. Development of rural marketing relates to **(1)**
 - a. All of these
 - b. Regulated market
 - c. Storage
 - d. Transportation
2. Fish production from inland sources contributes about ____ percent to the total fish production and the balance ____ percent from main sector **(1)**
 - a. 51, 49
 - b. 25, 75
 - c. 75, 25
 - d. 49, 51
3. NABARD stands for **(1)**
 - a. National Bank for Agriculture and Real Development
 - b. National Bank for Agriculture and Rural Development
 - c. Native Bank for Agriculture and Real Development
 - d. Native Bank for Agriculture and Rural Development
4. Which scheme provide adequate and timely support from the banking system to the farmers for their cultivation needs in a flexible manner **(1)**
 - a. KBC
 - b. KCC
 - c. KMM
 - d. KMC
5. To solve the various problems associated with rural credit, enumerate the objectives which should be followed by the cooperative credit societies. **(3)**
6. Why does Indian Farmer need credit? **(3)**

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7. Give an account of livestock in India. **(4)**
 8. Explain different sources of credit in rural areas. **(4)**
 9. Explain three steps taken by the government in developing rural market. **(4)**
 10. Name the states which are major producers of marine products. **(1)**
 11. The livestock in India faces low productivity as compared to other countries. What are the solutions of this problem? **(1)**
 12. What is rural development? **(1)**
 13. Why is the status of our fishermen lower than that of other backward sectors of our economy? **(1)**
 14. Explain three defects of agriculture of marketing. **(6)**
 15. What do you mean by organic farming. Why should we adopt organic farming? **(6)**

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Answers

1. a. All of these

Explanation: Agricultural marketing includes all these processes between harvesting and final sale of the produce by the farmers.

2. d. 49,51

Explanation: India is a major supplier of fish in the world. Fish production from inland sources contributes about 49 percent to the total fish production and the balance 51 percent from main sector.

3. b. National Bank for Agriculture and Rural Development

Explanation: NABARD Serves as an apex financing agency for the institutions providing investment and production credit for promoting the various developmental activities in rural areas

4. b. KCC

Explanation: KCC stands for Kisan Credit Card scheme in which this card is issued to the farmers who otherwise eligible for short term credit.

5. To solve the various problems associated with rural credit, cooperative credit societies should pursue the following objectives:

- i. They should provide adequate credit support, covering all areas of needs of farmers.
- ii. They should ensure the timely flow of credit to the farmers.

6. The capacity of **farmers** to save and invest is very low. The **agricultural** productivity is low due to low use of inputs. The **farmers** therefore, **need credit** to increase productivity and efficiency in agriculture. This **need** is increasing over the years with the rise in use of fertilizers, mechanisation and rise in prices.

7. Given below are statistical facts about livestock in India.

Livestock plays a vital role in Indian economy. About 20.5 million people depend upon

livestock for their livelihood. Livestock provides sustenance to two thirds of the rural community. It also provides employment to about 8.8% of the population in India. Poultry accounts for the largest share with 42 per cent followed by others. Other animals which include camels, asses, horses, ponies and mules are in the lowest rung. (c) India had about 287 million cattle, including 90 million buffaloes, in 1997.

8. NABARD is an apex institution entrusted with all matters concerning policy, planning and operations in the field of rural credit and related economic activities. It does not lend to general public directly but serves as a funding agency for the institutions providing credit in rural areas. Those who lend to public directly can be categorised into:

- a. **Institutional Sources of Credit:** Institutional credit institutions include Cooperative Credit Societies, Regional Rural Banks, Land Development Banks and Commercial Banks. Together they constituted only 7% of credit needs of the farmers in 1950-51 but by 1981 their share increased to 63% and at present it is 74%.
- b. **Non Institutional Sources of Credit:** Landlords, village traders and moneylenders are major non institutional sources of credit. At the time of independence their share in total credit was 93% but it has declined sharply over years. But since these credits are not backed by written records, we can't be sure of the available statistics.

9. Following are the steps taken by the government in developing rural markets :

- i. The government collects market information relating to agricultural products through different media like statistics departments, radio, television, newspapers, etc and make it available to farmers.
- ii. It has made better transport arrangements to encourage farmers to carry their products to the market.
- iii. It has provided warehousing and storage facilities in the villages.
- iv. It has promoted co-operative marketing through several ways.

10. Kerala, Andhra Pradesh, Karnataka, Gujarat, Maharashtra and Tamil Nadu are the major producers of marine products in India.

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11. In numbers, livestock population is quite impressive but its productivity is quite low as compared to other countries. The main solutions to the problem are as follows:
- It requires improved technology and promotion of good breeds of animals to enhance productivity.
 - Improved veterinary care and credit facilities to small and marginal farmers and landless labourers would enhance sustainable livelihood options through livestock production.
12. Rural Development is a process of improving the standard of life and social economic welfare and overall development of the village economy.
13. The status of our fishermen is comparatively lower than that of other backward sectors of our economy because of uncontrolled underemployment, low per capita earnings and high rate of illiteracy. Most of the fishermen are illiterate and their children have to detach from schools as they live hand to mouth.
14. i. **Absence of Grading:** As a general rule, there is hardly any grading of the commodities to be marketed. Therefore, the purchaser has little, if any, confidence in the quality of the product(s). But nothing really has happened. As per the Act, licenses are issued on a selective basis to reliable merchants, under the supervision and control of the Government staff. The graded commodities are subsequently passed on to the market under the label of “AGMARK”.
- ii. **Inadequate Storage and Warehousing Facilities:** The average Indian farmer does not have adequate storage facilities. Moreover, there is no satisfactory warehousing facilities in the market. For these two reasons the farmer has to sell his produce immediately after the harvest. He cannot wait to obtain better prices in the future. Moreover, due to lack of storage facilities, farmers are unable to obtain loans from co-operative marketing societies or even commercial banks against the security of the stored output.
- iii. **Lack of Information:** The market for agricultural products in India is not perfectly competitive in the sense that the farmers do not usually get adequate information about the price that prevail in big and organised markets. Due to lack of communication facilities, the information about market prices rarely reaches the farmers.

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15. It is a whole system of farming that restores, maintains and enhances the ecological balance.

Organic agriculture offers a means to substitute costlier agricultural inputs (such as HYV seeds, chemical fertilizers, pesticides etc.) with locally produced organic inputs that are cheaper and thereby generate good returns on investment. Organic agriculture also generates income through exports as the demand for organically grown crops is on a rise. Studies across countries have shown that organically grown food has more nutritional value than chemical farming thus providing us with healthy foods. Since organic farming requires more labour input than conventional farming, India will find organic farming an attractive proposition. Finally, the produce is pesticide-free and produced in an environmentally sustainable way.