



# INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XII</b>	<b>Department: Commerce</b>
<b>WORKSHEET: 1</b>	<b>Topic: Rural Development</b>

- The Problem faced in rural banking are:
  - Insufficient rural credit
  - Growing overdue
  - Inadequate amount of sanction
  - All of these
- The Scheme of “Micro Finance” is extended through:
  - Self Help groups
  - Land Development Banks
  - NABARD
  - Regional Rural Banks
- Short period credit is needed for
  - Low rate of growth
  - Inflation
  - Inadequacy of capital
  - All of these
- The \_\_\_\_\_ promote thrift in small proportions by a minimum contribution from each member:
  - community groups
  - local clubs
  - Panchayat
  - Self-help groups
- It is alleged that the borrowings of the group members in case of the SHG s are confined to \_\_\_\_\_purposes.
  - consumption
  - production
  - distribution
  - None of these
- Rural poor includes:
  - Landless labourers only
  - Marginal farmers only
  - Tenants at will only
  - All of these
- TANWA (Tamilnadu Women in Agriculture) is a project initiated in Tamilnadu which trains women in \_\_\_\_\_.

- a. fishing
  - b. latest agriculture techniques
  - c. horticulture
  - d. animal husbandry
8. The fishing community regards the water body as ‘mother’ or \_\_\_\_\_.
- a. consumer
  - b. donator
  - c. provider
  - d. harbinger
9. \_\_\_\_\_ contributes nearly one third of the value of agricultural output and 6% of GDP of India.
- a. Pisciculture
  - b. Horticulture
  - c. Agriculture
  - d. Sericulture
10. Why is the minimum support price fixed by the government?
- a. For government own benefit
  - b. To safeguard the interest of farmers
  - c. To safeguard the interest of consumers
  - d. None of these
11. Agriculture marketing does not comprise of
- a. Transportation of the produce to the marketplace for sale
  - b. Grading of the produce according to the quality
  - c. Storage of the produce for sale in future
  - d. Credit took to meet expenditure on agriculture

**Assertion Reasoning Based questions:**

**Alternatives:**

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion(A)
  - b. Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
  - c. Assertion (A) is true but Reason (R) is False
  - d. Assertion (A) is False but Reason (R) is true
- 1. Assertion (A):** Small and marginal farmers need to form cooperatives to obtain fair price for their produce.  
**Reason (R):** Instead of marketing their products separately, if they sell their products through an agency, it will increase their bargaining power.  
 Ans: (a)
- 2. Assertion (A):** Rural banking has always given lesser attention on credit requirements of small and marginal farmers.  
**Reason (R):** Marginal farmers enjoy better credit worthiness.  
 Ans: (c)
- 3. Assertion (A):** Indian Government took various measures to improve agricultural marketing.  
**Reason (R):** Farmers were often forced to sell their product at low prices due to lack of required market information.  
 Ans: (a)

**4. Assertion (A):** Rural development includes only agricultural development.

**Reason (R):** Rural development includes improving social and economic conditions of people living in villages.

**5. Assertion (A):** Diversification of crop production involves shifting from single cropping to multiple cropping system.

**Reason (R):** It reduced the income of farmers due to increase in market risks because of price fluctuation.      Ans: (c)

### Case-Based Questions: 1

#### Box 6.2: Tamil Nadu Women in Agriculture (TANWA)

Tamil Nadu Women in Agriculture (TANWA) is a project initiated in Tamil Nadu to train women in latest agricultural techniques. It induces women to actively participate in raising agricultural productivity and family income. At a Farm Women's Group in Thiruchirapalli, run by Anthoniammal, trained women are successfully making and selling vermicompost and earning money from this venture. Many other Farm Women's Groups are creating savings in their group by functioning like mini banks through a micro-credit system. With the accumulated savings, they promote small-scale household activities like mushroom cultivation, soap manufacture, doll making or other income-generating activities.

1. Self-help groups and micro credits are emerging concepts in the context of \_\_\_\_ Credit. (rural/urban)
2. Institutional credit has gone a long way in liberating farmers from the debt traps of Mahajans and money lenders. True/False?
3. Define Micro Credit.
4. Name any 2 non-farm income generating activities in rural areas.

### Case-Based Questions: 2

At the time of independence, money lenders and traders exploited small and marginal farmers and landless labourers by lending to them on high interest rates and by manipulating the accounts to keep them in a debt-trap. A major change occurred after 1969 when India adopted social banking and multi-agency approach to adequately meet the needs of rural credit. The institutional structure of rural banking today consists of a set of multi-agency institutions, namely, commercial banks, regional rural banks, cooperatives and land development banks. They are expected to dispense adequate credit at cheaper rates. Recently, self-help groups have emerged to fill the gap in the formal credit system. The SHGs promoter thrift in small proportions by a minimum contribution from each member. From the pooled money, credit is given to the needy members to be repayable in small instalments at reasonable interest rates. By May 2019, nearly 6 crore women in India have become member in 54 lakh women SHGs. About Rs 10-15,000 per SHG as a community investment support fund are provided as part of renovating fund to take up self-employment for income generation.

1. NABARD was set up in ----- as an apex body to coordinate the activities of all institutions involved in the rural financing system
2. The \_\_\_\_\_ was a harbinger of major changes in the credit system as it led to the

diversification of the portfolio of rural credit towards production-oriented lending.

- (a) Green Revolution.
  - (b) Golden Revolution.
  - (c) White revolution.
  - (d) None of these
3. Recently, Self Help Groups have emerged to fill the gap in the formal credit system. Such credit provisions are generally referred to as \_\_\_\_\_
4. Which of the following part is not a part of the institutional structure of rural banking today?
- (a) Commercial banks.
  - (b) Regional rural banks.
  - (c) Non- banking finance companies.
  - (d) Land development