INDIAN SCHOOL AL WADI AL KABIR

Class: XII	**Department: Commerce**
Worksheet: 1	**Topic: Rural Development**

MCQs

1. Which of the following statements reflects the reason behind the requirement of rural credit in the farming sector?
    a. Rural credit is required in the farming sector because of small landholdings
    b. Rural credit is required in the farming sector because of the need for further investment
    c. Rural credit is required in the farming sector because most of the agricultural produce is for the purpose of self-consumption
    d. All of the above

2. Which of the following agencies provide help related to Microfinance?
    a. State Bank of India
    b. Regional rural banks
    c. National Bank for Agriculture and Rural Development (NABARD)
    d. Self-help groups

3. Which of the following is the main reason behind fixing a minimum support price for crops?
    a. To safeguard the interests of consumers
    b. To safeguard the interests of farmers
    c. For the economic benefit of the government
    d. None of the above

4. The white revolution is associated with ______.
    a. Crops
    b. Dairy
    c. Animal husbandry
    d. None of the above

5. When was the National Bank for Agricultural and Rural Development set up?
    a. 1962
    b. 1972
    c. 1982
    d. 1992

6. Which of the following is an institutional source of rural credit?
    a. Moneylenders
    b. Regional Rural Banks
    c. Traders
    d. Landlords

7. Which among the following is a process that involves the assembling, storage, processing,

transportation, packaging, grading, and distribution of different agricultural commodities across the country?

a. Agricultural Management
b. Agricultural Banking
c. Agricultural Diversification
d. Agricultural Marketing

8. Which one of the following is not a non-institutional source of credit?

a. Money-lenders
b. Both (c) and (d)
c. Traders and commission agents
d. Land Development Bank

9. _________is the apex body which coordinates the functioning of different financial institutions working for the expansion of rural credit.

a. NABARD
b. Self Help Groups
c. Regional Rural Banks
d. Commercial Banks

10. Initiatives for implementing rural development include _______.

a. Improving public health
b. Setting up facilities for agricultural research
c. Infrastructure development in rural areas
d. All of the above

11. Which of these programs were initiated by the Government of India for rural development?

a. National Rural Livelihood Mission
b. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
c. Pradhan Mantri Gram Sadak Yojna
d. All of the above

12. Self-help groups offer credit to rural households ________.

a. At a moderate rate of interest
b. Without collateral
c. Both a and b are incorrect
d. Both a and b are correct

13. _______ is a promise to farmers that the government would buy their produce at a particular price.

a. Maximum Retail Price
b. Minimum Support Price
c. Both a and b are correct
d. Both a and b are incorrect

14. The problems faced by agricultural markets in rural areas are _______.

a. Malpractice in unregulated markets
b. Lack of storage facilities
c. Lack of adequate finance
d. All of the above

15. Which of these schemes allows people from Below Poverty Line (BPL) to get essential goods at subsidised rates?

a. Public Distribution System
b. Buffer Stock
c. Minimum Support Price
d. None of the above

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): Self-Help Groups (SHGs) play a crucial role in rural credit.
   Reason (R): SHGs help in mobilizing savings and providing microfinance to rural households.

2. Assertion (A): Information technology plays an important role in achieving sustainable development and food security.
   Reason (R): It can also provide necessary information about the new techniques of production, prices and weather etc, to the farmers.

Statement questions:

In the following questions, Statement 1 is followed by Statement 2. Mark the correct choice
(a) Both statements are true, and Statement 2 is the correct explanation of Statement 1.
(b) Both statements are true, but Statement 2 is not the correct explanation of Statement 1.
(c) Statement 1 is true, but Statement 2 is false.
(d) Statement 1 is false, but Statement 2 is true.

1. Statement 1: Rural development focuses on improving the quality of life and economic well-being of people living in rural areas.

   Statement 2: Rural development can be achieved only through agricultural growth.

2. Statement 1: Credit plays a crucial role in rural development by providing funds to farmers and rural businesses.
   Statement 2: Institutional sources of credit, such as banks and cooperatives, have reduced the dependence on informal moneylenders.

QUESTIONS:

1. What is micro finance?

2. What is Cooperative marketing?

3. What do you mean by operation flood?

4. What is buffer stock and subsistence farming?

5. What are regulated markets? Explain the features of a regulated market.

6. How is green revolution different from golden revolution?

7. ' Information Technology plays a very significant role in achieving sustainable development and food security' -comment

8. State and elaborate, whether the following statements are true or false, with valid arguments.

(a) Under the Golden revolution there was tremendous growth in horticulture, making India the world leader in this field.
(b) Small and marginal farmers are given preference in getting credit from non- institutional sources like Regional Rural Banks, Cooperative Banks, etc.

CASE STUDY:

Rahul is a farmer in a small village in Maharashtra. He wants to buy modern farm equipment to improve his crop yield, but he does not have enough savings. He approaches a local moneylender who offers him a loan at an extremely high-interest rate. Later, he learns about **Kisan Credit Card (KCC)** and takes a loan from a government bank at a much lower interest rate.

Answer the following questions:
a) Why is access to credit important for rural farmers like Rahul?
b) What is the disadvantage of borrowing from local moneylenders?
c) How do government schemes like Kisan Credit Card help farmers?