REV-01
MEC/18/23

2025/05

SET A

MA ECONOMICS
FOURTH SEMESTER
AGRICULTURE ECONOMICS
MEC – 402A
[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs. **Full Marks: 70**

(Objective)

Time: 30 mins. **Marks: 20**

Choose the correct answer from the following: ***1×20=20***

1. What is the primary factor influencing wage determination in rural labor markets?
   a. Government policies on minimum wages
   b. Supply and demand for labor
   c. Migration to urban areas
   d. Availability of technology in agriculture

2. What role does MGNREGA play in rural wage determination?
   a. It replaces agricultural wages with fixed salaries.
   b. It sets a benchmark for minimum wages in rural areas.
   c. It eliminates the need for rural wage labor.
   d. It discourages participation in the labor force.

3. Which type of rural wage system involves payment in kind rather than cash?
   a. Daily wage system
   b. Time-rate wage system
   c. Piece-rate wage system
   d. Jajmani system

4. The Agricultural Produce Market Committee (APMC) Act was introduced to
   a. Encourage contract farming
   b. Provide crop insurance
   c. Regulate buying and selling in mandis
   d. Fix minimum wages for laborers

5. The key institution responsible for recommending Minimum Support Prices (MSP) in India is
   a. CACP
   b. FCI
   c. NABARD
   d. NITI AYOG

6. Which one of the following is a regulated market?
   a. Village haat
   b. ·APMC Mandi
   c. Farm gate
   d. Weekly fair

7. Marketable surplus refers to:
   a. The portion of the crop consumed on the farm
   b. The total output of the crop
   c. The government procurement price
   d. The portion of the crop available for sale after meeting family needs

8. When Marketed Surplus > Marketable Surplus, it indicates?
   a. No production on farm
   b. No consumption by farmer
   c. Distress sale by the farmer
   d. High MSP

9. The Cobweb model is applicable primarily to:
   a. Manufactured goods
   b. Durable goods
   c. Perishable agricultural goods
   d. Industrial raw materials

10. In a Cobweb model, prices fluctuate due to:
   a. Government taxes
   b. Irrigation problems
   c. High inflation
   d. Time lag between price realization and production decision

11. Which of the following boxes under the WTO Agreement on Agriculture includes subsidies that are considered non-trade distorting?
   a. Amber Box
   b. Blue Box
   c. Green Box
   d. Red Box

12. What is the major challenge associated with the MSP system in India?
   a. Overproduction of cash crops
   b. Fiscal deficit
   c. Regional imbalance in procurement
   d. Decrease in rural employment

13. A farmer produces 3,000 kg of wheat. He retains 500 kg for family consumption and 300 kg for seed and fodder. What is his marketable surplus?
   a. 2,500 kg
   b. 2,200 kg
   c. 800kg
   d. 2000kg

14. If the price of onions rises to ₹60/kg this year, and as a result, production next year increases from 100 tonnes to 160 tonnes, what phenomenon best explains this?
   a. Cobweb effect
   b. Supply chain integration
   c. Government procurement
   d. Price rigidity

15. A farmer sells all his produce in the market, even though he wanted to retain some for family needs, because the market price is falling fast. This situation reflects:
   a. Contract farming
   b. Market intelligence
   c. Marketable surplus
   d. Distress sale

16. The WTO agreement that governs global agricultural trade is known as:
   a. TRIPS
   b. AoA(Agreement on Agriculture)
   c. GATS
   d. TBT

17. Which of the following measures can reduce marginalization of rural labor?
   a. Promoting large-scale mechanization of agriculture
   b. Strengthening rural education and skill development programs
   c. Reducing labor participation in rural areas
   d. Shifting focus entirely to urban development

18. Which of the following is not a type of agricultural market in India?
   a. Primary market
   b. Regulated market
   c. Service market
   d. Terminal market

19. Goods are sold to retailers in.................
   a. Primary market
   b. Secondary market
   c. Terminal market
   d. None of the above

20. India defends its MSP system at the WTO on the grounds of:

a. Promoting exports

b. Ensuring food security and protecting small farmers

c. Attracting FDI in agriculture

d. Encouraging corporate farming

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(Descriptive)

Time : 2 Hr. 30 Mins. **Marks : 50**

[Answer question no.1 & any four (4) from the rest]

1. Define rural labourers of India. Explain certain features of rural markets of India. 2+8=10

2. Explain different kinds of wage arrangements found in case of rural labour markets in India? 5+5=10

3. What is NABARD? Explain the role of NABARD in agricultural financing in India. 2+8=10

4. How MSP is decided in India? What other factors are considered while deciding MSP? 6+4=10

5. Explain the technical framework of SHG with the help of suitable example. 10

6. Explain some significant aspects of agricultural finance in India. 10

7. Explain the different types of agricultural market that exists in India based on functionality and regulations. 5+5=10

8. Explain the Cobweb model of agricultural marketing with the help of suitable diagram and real life examples. 10

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