

**COTTON CORPORATION OF INDIA**

**SUBJECT KNOWLEDGE**

**MEGA QUESTION BANK**

**COMPLETE QUESTION BANK SPECIALLY DESIGNED FOR  
JR COMMERCIAL EXECUTIVE & JR ASSISTANT**

**T A R G E T**

**60 OUT OF 60**

**INDIA'S MOST POPULAR AGRI PLATFORM  
INDIAN IQ**

**INDIAN IQ CCI SUBJECT KNOWLEDGE QUESTION BANK: AGRICULTURE MARKETING TRADE & PRACTICE**

1. Which of the following is NOT a function of the National Agricultural Cooperative Marketing Federation (NAFED)?

A) Organizing and promoting the marketing of agricultural produce

B) Distributing agricultural machinery and implements

C) Undertaking inter-state and international trade

D) Setting agricultural price policies for the country

Correct answer: D) Setting agricultural price policies for the country

2. The Central Warehousing Corporation (CWC) was established under which act?

A) Agricultural Produce (Development and Warehousing) Corporation Act, 1956

B) Essential Commodities Act, 1955

C) Food Corporations Act, 1964

D) Warehousing Corporation Act, 1958

Correct answer: A) Agricultural Produce (Development and Warehousing) Corporation Act, 1956

3. AGMARK is a certification mark used for which type of products?

A) Industrial goods

B) Agricultural produce

C) Handicrafts

D) Electronic items

Correct answer: B) Agricultural produce

4. The producer's surplus consists of which two types of surpluses?

A) Marketable surplus and marketed surplus

B) Consumable surplus and marketable surplus

C) Marketed surplus and consumable surplus

D) Internal surplus and external surplus

Correct answer: A) Marketable surplus and marketed surplus

5. A \_\_\_\_\_ is the quantity of produce which can be made available by the farmers to the non-farm population.

A) Marketable surplus

B) Marketed surplus

C) Producer's surplus

D) Consumable surplus

Correct answer: A) Marketable surplus

6. Which of the following factors does NOT influence the marketable surplus of a crop?

- A) Size of the holding
- B) Price of the commodity
- C) Production levels
- D) Frequency of rainfall

Correct answer: D) Frequency of rainfall

7. Marketing channels are best defined as:

- A) The intermediaries involved in the marketing process
- B) The routes through which agricultural products move from producers to consumers
- C) The various markets where agricultural products are sold
- D) The transportation means used for moving agricultural products

Correct answer: B) The routes through which agricultural products move from producers to consumers

8. Market integration refers to:

- A) The expansion of firms by consolidating additional marketing functions under a single management
- B) The integration of different markets across a region

C) The integration of agricultural markets with financial markets

D) The integration of domestic markets with international markets

Correct answer: A) The expansion of firms by consolidating additional marketing functions under a single management

9. When a firm performs more than one activity in the sequence of the marketing process, it is an example of:

- A) Horizontal integration
- B) Vertical integration
- C) Conglomeration
- D) Market segmentation

Correct answer: B) Vertical integration

10. Which of the following is an example of a facilitative function in marketing?

- A) Grading and standardization
- B) Transportation
- C) Processing
- D) Storage

Correct answer: A) Grading and standardization

11. The practice of buying or selling futures to offset an equal and opposite position in the cash market is known as:

A) Speculation

B) Arbitrage

C) Hedging

D) Forward trading

Correct answer: C) Hedging

12. The General Agreement on Tariffs and Trade (GATT) was established in which year?

A) 1945

B) 1947

C) 1950

D) 1955

Correct answer: B) 1947

13. Under the WTO Agreement on Agriculture, which of the following is exempt from Aggregate Measure of Support (AMS) calculations?

A) Amber box subsidies

B) Red box subsidies

C) Blue box subsidies

D) Yellow box subsidies

Correct answer: C) Blue box subsidies

14. The Trade-Related Aspects of Intellectual Property Rights (TRIPS)

agreement deals with which of the following?

A) Patents and copyrights

B) Environmental regulations

C) Labor standards

D) Investment policies

Correct answer: A) Patents and copyrights

15. Which agency is responsible for implementing the Agricultural Produce (Grading and Marking) Act, 1937?

A) Food Corporation of India

B) Agricultural and Processed Food Products Export Development Authority

C) Directorate of Marketing and Inspection

D) National Agricultural Cooperative Marketing Federation

Correct answer: C) Directorate of Marketing and Inspection

16. The Food Corporation of India (FCI) was established in which year?

A) 1955

B) 1960

C) 1965

D) 1970

Correct answer: C) 1965

17. Which of the following is NOT a measure taken by the government to stabilize agricultural prices?

- A) Procurement operations
- B) Public distribution of food grains
- C) Imposition of restrictions on the movement of food grains
- D) Complete deregulation of agricultural markets

Correct answer: D) Complete deregulation of agricultural markets

18. The Commission for Agricultural Costs and Prices (CACP) recommends which of the following prices?

- A) Minimum support prices
- B) Procurement prices
- C) Issue prices
- D) All of the above

Correct answer: D) All of the above

19. Which of the following is NOT a characteristic of agricultural product prices?

- A) Seasonal fluctuations
- B) Variation across regions
- C) Uniform prices for all grades
- D) Influence of supply and demand factors

Correct answer: C) Uniform prices for all grades

20. \_\_\_\_\_ refers to the difference between the price paid by the consumer and the price received by the farmer.

- A) Price spread
- B) Marketing margin
- C) Price volatility
- D) Price parity

Correct answer: A) Price spread

21. The practice of selling goods at a higher price in the market with the intention of selling them later when prices are low is known as:

- A) Hoarding
- B) Speculation
- C) Hedging
- D) Arbitrage

Correct answer: B) Speculation

22. Which of the following is an example of a physical risk in marketing?

- A) Changes in government policies
- B) Fluctuations in market prices
- C) Damage to goods during storage
- D) Changes in consumer preferences

Correct answer: C) Damage to goods during storage

23. Contract farming is an arrangement between:

- A) Farmers and government agencies
- B) Farmers and financial institutions
- C) Farmers and agribusiness firms
- D) Farmers and marketing cooperatives

Correct answer: C) Farmers and agribusiness firms

24. Which of the following is NOT an advantage of warehousing?

- A) Scientific storage of goods
- B) Financing against warehouse receipts
- C) Guaranteed price stability
- D) Market intelligence for sellers

Correct answer: C) Guaranteed price stability

25. The Agricultural Produce (Grading and Marking) Act was passed in which year?

- A) 1927
- B) 1937
- C) 1947
- D) 1957

Correct answer: B) 1937

26. The headquarters of the Central Warehousing Corporation (CWC) is located in:

- A) Mumbai
- B) New Delhi
- C) Kolkata
- D) Chennai

Correct answer: B) New Delhi

27. The Food Corporation of India (FCI) procures food grains from farmers at:

- A) Minimum support prices
- B) Market prices
- C) Procurement prices
- D) Issue prices

Correct answer: A) Minimum support prices

28. Which of the following is NOT a function of the Commission for Agricultural Costs and Prices (CACP)?

- A) Recommending minimum support prices
- B) Formulating agricultural price policies
- C) Procuring food grains for buffer stocks
- D) Analyzing the cost of production of agricultural commodities



Correct answer: C) Procuring food grains for buffer stocks

29. The difference between the marketable surplus and the marketed surplus arises due to:

- A) Losses during transportation
- B) Retention of surplus produce by farmers
- C) Consumption by farmers' families
- D) Government procurement

Correct answer: B) Retention of surplus produce by farmers

30. Which of the following is an example of vertical integration in marketing?

- A) A wholesale firm acquiring another wholesale firm
- B) A processing firm engaging in retailing
- C) Two retail firms merging their operations
- D) A marketing firm diversifying into unrelated businesses

Correct answer: B) A processing firm engaging in retailing

31. The efficiency of a marketing system can be assessed based on:

- A) The number of intermediaries involved
- B) The geographical area covered

C) The cost of performing marketing functions

D) The volume of products handled

Correct answer: C) The cost of performing marketing functions

32. Which of the following factors does NOT contribute to the high marketing costs of agricultural commodities?

- A) Perishability of products
- B) Seasonal nature of production
- C) Bulkiness of products
- D) Presence of organized retail chains

Correct answer: D) Presence of organized retail chains

33. The World Trade Organization (WTO) was established in:

- A) 1945
- B) 1965
- C) 1985
- D) 1995

Correct answer: D) 1995

34. Under the WTO Agreement on Agriculture, developing countries were required to reduce their export subsidies by:

- A) 10%

B) 20%

C) 24%

D) 36%

Correct answer: C) 24%

35. The Sanitary and Phytosanitary (SPS) measures under the WTO deal with:

A) Food safety and animal and plant health

B) Intellectual property rights

C) Investment policies

D) Environmental regulations

Correct answer: A) Food safety and animal and plant health

36. Which of the following is NOT a form of intellectual property recognized under the TRIPS agreement?

A) Patents

B) Copyrights

C) Trademarks

D) Franchises

Correct answer: D) Franchises

37. The Marketing Efficiency (ME) index proposed by Shepherd is calculated as:

A)  $(\text{Value of goods sold} - \text{Marketing costs}) / \text{Marketing costs}$

B)  $\text{Marketing costs} / \text{Value of goods sold}$

C)  $(\text{Value of goods sold} / \text{Marketing costs}) - 1$

D)  $\text{Marketing costs} / (\text{Value of goods sold} - \text{Marketing costs})$

Correct answer: C)  $(\text{Value of goods sold} / \text{Marketing costs}) - 1$

38. \_\_\_\_\_ is a market condition in which the prices are determined by the interaction of supply and demand, without any external intervention.

A) Monopoly

B) Perfect competition

C) Oligopoly

D) Monopsony

Correct answer: B) Perfect competition

39. A situation where a few firms control the majority of the market share is known as:

A) Monopolistic competition

B) Pure competition

C) Oligopoly

D) Duopoly

Correct answer: C) Oligopoly



40. Which of the following is NOT a characteristic of agricultural products that affects their marketing?

- A) Perishability
- B) Bulkiness
- C) Seasonal production
- D) Brand loyalty

Correct answer: D) Brand loyalty

41. The primary objective of the Agricultural Produce (Grading and Marking) Act, 1937 is to:

- A) Regulate the export of agricultural produce
- B) Set minimum support prices for agricultural produce
- C) Establish quality standards for agricultural produce
- D) Nationalize the agricultural marketing system

Correct answer: C) Establish quality standards for agricultural produce

42. Which of the following is an example of a market inefficiency that can be addressed through government intervention?

- A) Seasonal fluctuations in prices
- B) High transportation costs

C) Presence of middlemen in the supply chain

D) Lack of market information for farmers

Correct answer: D) Lack of market information for farmers

43. The Agricultural Produce Market Committee (APMC) Act regulates the marketing of agricultural produce through:

- A) Minimum support prices
- B) Direct government procurement
- C) Licensing of market functionaries
- D) Cooperative marketing societies

Correct answer: C) Licensing of market functionaries

44. \_\_\_\_\_ is the price at which the government purchases agricultural produce from farmers for maintaining buffer stocks.

- A) Minimum support price
- B) Procurement price
- C) Issue price
- D) Market price

Correct answer: B) Procurement price

45. The practice of selling goods forward at a predetermined price for delivery and payment at a specified future date is known as:

A) Contract farming

B) Futures trading

C) Speculation

D) Hedging

Correct answer: B) Futures trading

46. Which of the following is a measure to mitigate price risk in agricultural marketing?

A) Diversification of crops

B) Irrigation

C) Crop insurance

D) Futures trading

Correct answer: D) Futures trading

47. The Uruguay Round of GATT negotiations led to the establishment of:

A) Food and Agriculture Organization (FAO)

B) World Trade Organization (WTO)

C) International Monetary Fund (IMF)

D) World Bank

Correct answer: B) World Trade Organization (WTO)

48. Which of the following is NOT a function of the Commission for Agricultural Costs and Prices (CACP)?

A) Recommending minimum support prices for agricultural commodities

B) Analyzing the cost of production of agricultural commodities

C) Formulating agricultural price policies

D) Procuring agricultural commodities for buffer stocks

Correct answer: D) Procuring agricultural commodities for buffer stocks

49. The Price Support Policy of the government aims to:

A) Ensure remunerative prices for farmers

B) Provide subsidies to consumers

C) Stabilize market prices of essential commodities

D) Both A and C

Correct answer: D) Both A and C

50. Which of the following best describes the concept of market structure?

A) The physical location of the market

B) The number of buyers and sellers in the market

C) The organizational characteristics of a market that influence competition and pricing

D) The types of goods traded in the market

Correct Answer: C) The organizational characteristics of a market that influence competition and pricing

51. \_\_\_\_\_ is the economic result that flows from an industry as each firm pursues its particular line of conduct.

- A) Market intelligence
- B) Market conduct
- C) Market structure
- D) Market performance

Correct Answer: D) Market performance

52. Secondary wholesale markets are generally located in:

- A) Villages
- B) Seaports
- C) District headquarters or important trade centers
- D) Metropolitan cities

Correct Answer: C) District headquarters or important trade centers

53. Which of the following is the largest market from an area perspective?

- A) Local markets
- B) Regional markets
- C) National markets

D) World markets

Correct Answer: D) World markets

54. Markets held for a few hours are known as:

- A) Short period markets
- B) Secular markets
- C) Terminal markets
- D) Retail markets

Correct Answer: A) Short period markets

55. In which type of market are commodities bought and sold in large lots or in bulk?

- A) Retail markets
- B) Wholesale markets
- C) Specialized markets
- D) Cash markets

Correct Answer: B) Wholesale markets

56. A market situation with only one seller of a commodity is termed as:

- A) Monopoly
- B) Monopsony
- C) Duopoly
- D) Oligopoly

Correct Answer: A) Monopoly

57. When a large number of sellers deal in heterogeneous and differentiated forms of a commodity, the situation is called:

- A) Perfect competition
- B) Monopolistic competition
- C) Oligopoly
- D) Duopsony

Correct Answer: B) Monopolistic competition

58. Markets in which bonds, shares, and securities are bought and sold are known as:

- A) Capital markets
- B) Commodity markets
- C) Produce markets
- D) Consumer markets

Correct Answer: A) Capital markets

59. Markets that collect produce for final disposal to the consuming population are called \_\_\_\_\_ markets.

- A) Wholesale
- B) Producer
- C) Consumer
- D) Regulated

Correct Answer: C) Consumer

60. For superior goods, there is a \_\_\_\_\_ relationship between income and demand.

- A) Direct
- B) Inverse
- C) No
- D) Logarithmic

Correct Answer: A) Direct

61. The difference between the amount a producer is willing to supply goods for and the actual amount received when a trade is made is called:

- A) Consumer surplus
- B) Marketable surplus
- C) Marketed surplus
- D) Producer surplus

Correct Answer: D) Producer surplus

62. Marketable surplus is equal to:

- A) Total production + Total requirement
- B) Total production - Total requirement
- C) Total requirement - Total production
- D) Total production  $\times$  Total requirement

Correct Answer: B) Total production - Total requirement

63. Which of the following hypotheses proposed an inverse relationship between prices and marketable surplus?

- A) V.M. Dandekar hypothesis
- B) Rajkrishna hypothesis
- C) P.N. Mathur and M. Ezekiel hypothesis
- D) Kohl's and Uhl hypothesis

Correct Answer: C) P.N. Mathur and M. Ezekiel hypothesis

64. The first process in the marketing sequence is:

- A) Equalization
- B) Dispersion
- C) Concentration
- D) Exchange

Correct Answer: C) Concentration

65. Middlemen who assist in the transfer of ownership to consumers but do not take title to the goods are known as:

- A) Merchant middlemen
- B) Functional middlemen
- C) Speculative middlemen
- D) Agent middlemen

Correct Answer: B) Functional middlemen

66. Which of the following is NOT a part of the marketing mix?

- A) Product
- B) Price
- C) Promotion
- D) Profit

Correct Answer: D) Profit

67. The stage in a product's life cycle where brand differentiation and feature diversification are emphasized to maintain market share is:

- A) Introduction stage
- B) Growth stage
- C) Maturity stage
- D) Saturation stage

Correct Answer: C) Maturity stage

68. Under the cost-based pricing method, the price of a product is fixed by:

- A) Adding the desired profit margin to the product cost
- B) Subtracting the desired profit margin from the product cost
- C) Multiplying the product cost by the desired profit margin
- D) Dividing the product cost by the desired profit margin

Correct Answer: A) Adding the desired profit margin to the product cost

69. \_\_\_\_\_ is the most effective promotional tool for industrial goods.

- A) Advertising
- B) Publicity
- C) Personal selling
- D) Sales promotion

Correct Answer: C) Personal selling

70. The concept of market segmentation was coined by:

- A) Philip Kotler
- B) Michael Porter
- C) Wendell R. Smith
- D) Theodore Levitt

Correct Answer: C) Wendell R. Smith

71. Dividing a market based on the audience's personality, lifestyle, and attitude is called:

- A) Geographic segmentation
- B) Demographic segmentation
- C) Behavioral segmentation
- D) Psychographic segmentation

Correct Answer: D) Psychographic segmentation

72. When a firm performs more than one activity in the sequence of the marketing process, it is an example of:

- A) Horizontal integration
- B) Vertical integration
- C) Conglomeration
- D) Market segmentation

Correct Answer: B) Vertical integration

73. The efficiency obtained when sellers get the true value for their produce and consumers receive the true worth for their money is known as:

- A) Technical efficiency
- B) Pricing efficiency
- C) Operational efficiency
- D) Allocative efficiency

Correct Answer: B) Pricing efficiency

74. The difference between the price paid by the consumer and the price received by the farmer is called:

- A) Marketing cost
- B) Marketing margin
- C) Price spread



D) Absolute margin

Correct Answer: C) Price spread

75. Regulated markets have been established by:

A) Central government

B) State government

C) Local authorities

D) Private sector

Correct Answer: B) State government

76. The basic philosophy behind the establishment of regulated markets is:

A) Increase in market fees

B) Establishment of private markets

C) Elimination of malpractices

D) Encouragement of middlemen

Correct Answer: C) Elimination of malpractices

77. A specified portion of a market area where sale, purchase, storage, and processing of agricultural commodities are carried out is called a \_\_\_\_.

A) Market yard

B) Sub-market yard

C) Principal market yard

D) Terminal market

Correct Answer: A) Market yard

78. The Bombay Cotton Market Act was enacted in:

A) 1897

B) 1917

C) 1927

D) 1937

Correct Answer: C) 1927

79. Which of the following is NOT a function of Agricultural Produce Market Committees (APMCs)?

A) Ensuring payment for agricultural produce on the same day

B) Providing market-led extension services to farmers

C) Setting minimum support prices for agricultural commodities

D) Promoting agricultural processing and value addition

Correct Answer: C) Setting minimum support prices for agricultural commodities

80. The model APMC Act of 2003 provided for:

A) Increased market fees

B) Restriction on farmer's freedom to sell produce

C) Establishment of private markets

D) Monopoly of APMCs in agricultural marketing

Correct Answer: C) Establishment of private markets

81. For facilitating effective marketing, which of the following is most important?

A) Infrastructure

B) Information

C) Intermediaries

D) Regulation

Correct Answer: B) Information

82. In modern marketing systems, the degree of personal involvement of marketing agencies is:

A) Maximum

B) Moderate

C) Minimum

D) Variable

Correct Answer: C) Minimum

83. Warehouses are scientific storage structures constructed for:

A) Processing of agricultural products

B) Grading of agricultural products

C) Packaging of agricultural products

D) Protecting the quality and quantity of stored products

Correct Answer: D) Protecting the quality and quantity of stored products

84. The warehousing scheme in India is an integrated scheme of:

A) Scientific storage, rural credit, price stabilization, and market intelligence

B) Scientific storage, urban credit, price fluctuation, and market regulation

C) Traditional storage, rural credit, price stabilization, and market intelligence

D) Traditional storage, urban credit, price fluctuation, and market regulation

Correct Answer: A) Scientific storage, rural credit, price stabilization, and market intelligence

85. According to the Agricultural Produce (Development and Warehousing) Corporation Act of 1956, which of the following organizations was NOT established?

A) National Cooperative Development and Warehousing Board

B) Central Warehousing Corporation

C) State Warehousing Corporations

D) Food Corporation of India

Correct Answer: D) Food Corporation of India

86. The Central Warehousing Corporation (CWC) was established in:

A) 1955

B) 1956

C) 1957

D) 1958

Correct Answer: C) 1957

87. The Food Corporation of India (FCI) was set up on:

A) 14 January 1964

B) 14 January 1965

C) 14 January 1966

D) 14 January 1967

Correct Answer: B) 14 January 1965

88. FCI procures roughly \_\_\_\_\_ of India's wheat output and \_\_\_\_\_ of its rice output.

A) 10-15%, 8-12%

B) 15-20%, 12-15%

C) 20-25%, 15-20%

D) 25-30%, 20-25%

Correct Answer: B) 15-20%, 12-15%

89. The headquarters of the Directorate of Marketing and Inspection (DMI) is located at:

A) New Delhi

B) Mumbai

C) Kolkata

D) Faridabad

Correct Answer: D) Faridabad

90. The Central Agmark Laboratory is located at:

A) New Delhi

B) Nagpur

C) Kolkata

D) Chennai

Correct Answer: B) Nagpur

90. \_\_\_\_\_ is an internationally recognized food safety system.

A) ISO

B) FSSAI

C) HACCP

D) GMP

Correct Answer: C) HACCP

91. The Codex Alimentarius Commission is a joint commission of:

- A) WHO and WTO
- B) FAO and WHO
- C) FAO and WTO
- D) WHO and UNCTAD

Correct Answer: B) FAO and WHO

92. Pretty merchants who move from village to village and directly purchase produce from cultivators are called:

- A) Retailers
- B) Wholesalers
- C) Itinerant traders
- D) Brokers

Correct Answer: C) Itinerant traders

93. Agent middlemen who act primarily for sellers, including farmers, are known as:

- A) Kaccha arhatiyas
- B) Pacca arhatiyas
- C) Brokers
- D) Auctioneers

Correct Answer: A) Kaccha arhatiyas

94. The middlemen who sort products into different grades are called:

- A) Auctioneers
- B) Brokers
- C) Graders
- D) Processors

Correct Answer: C) Graders

95. Which of the following is NOT a function of auctioneers?

- A) Helping in the exchange function
- B) Putting produce up for auction
- C) Bidding on behalf of buyers
- D) Facilitating price discovery

Correct Answer: C) Bidding on behalf of buyers

96. Marketing channels are the routes through which agricultural products move from:

- A) Producers to middlemen
- B) Middlemen to consumers
- C) Producers to consumers
- D) Processors to consumers

Correct Answer: C) Producers to consumers

97. Supply chain management encompasses:

A) Planning of sourcing and procurement activities

B) Management of conversion activities

C) Planning and management of logistics activities

D) All of the above

Correct Answer: D) All of the above

98. The final stage in a product's life cycle is:

A) Introduction

B) Growth

C) Maturity

D) Saturation

Correct Answer: D) Saturation

99. Under competition-based pricing, the price is fixed:

A) Higher than the price of competing brands

B) Lower than the price of competing brands

C) Closer to the price of competing brands

D) Independent of the price of competing brands

Correct Answer: C) Closer to the price of competing brands

100. Competition-based pricing is also known as \_\_\_\_\_ pricing.

A) Cost-plus

B) Marginal

C) Going-rate

D) Skimming

Correct Answer: C) Going-rate

101. Market segmentation based on age group is an effective strategy for:

A) Mass marketing

B) Niche marketing

C) Differentiated marketing

D) Personalized marketing

Correct Answer: D) Personalized marketing

102. Which of the following is an example of geographic segmentation?

A) Segmentation based on age

B) Segmentation based on income

C) Segmentation based on religion

D) Segmentation based on climate

Correct Answer: D) Segmentation based on climate

103. Market integration refers to:

A) Combining different markets into one

B) Firms expanding by consolidating marketing functions under a single management

C) Integration of production and marketing activities

D) Vertical coordination of marketing channels

Correct Answer: B) Firms expanding by consolidating marketing functions under a single management

104. A combination of agencies operating under a united management system is known as:

A) Vertical integration

B) Horizontal integration

C) Conglomeration

D) Market segmentation

Correct Answer: C) Conglomeration

105. The actual expenses incurred in bringing goods from producers to consumers are called:

A) Marketing costs

B) Marketing margins

C) Price spread

D) Marketing efficiency

Correct Answer: A) Marketing costs

106. The percentage margin is calculated as:

A)  $(\text{Selling price} - \text{Purchase price}) / \text{Selling price}$

B)  $(\text{Selling price} - \text{Purchase price}) / \text{Purchase price}$

C)  $(\text{Selling price} + \text{Purchase price}) / \text{Selling price}$

D)  $(\text{Selling price} + \text{Purchase price}) / \text{Purchase price}$

Correct Answer: A)  $(\text{Selling price} - \text{Purchase price}) / \text{Selling price}$

107. Which of the following is NOT a measure to minimize price risk?

A) Fixation of minimum and maximum prices by the government

B) Dissemination of price information

C) Effective system of advertising

D) Reduction of marketing costs

Correct Answer: D) Reduction of marketing costs

108. Hedging is defined as:

A) Buying and selling simultaneously in the futures market

B) Buying in the spot market and selling in the futures market



C) Buying or selling futures to offset an equal and opposite position in the cash market

D) Buying in the futures market and selling in the spot market

Correct Answer: C) Buying or selling futures to offset an equal and opposite position in the cash market

109. Hedging helps to avoid the risk of \_\_\_\_\_ in prices.

A) Stability

B) Certainty

C) Uncertainty

D) Fluctuations

Correct Answer: C) Uncertainty

110. A market where the purchase and sale of a commodity takes place at one time, but the exchange of the commodity takes place on a specified future date, is called a:

A) Spot market

B) Forward market

C) Futures market

D) Cash market

Correct Answer: B) Forward market

111. The regulatory body for commodity exchanges in India is:

A) Reserve Bank of India (RBI)

B) Securities and Exchange Board of India (SEBI)

C) Forward Markets Commission (FMC)

D) Commodity Futures Trading Commission (CFTC)

Correct Answer: C) Forward Markets Commission (FMC)

112. The Agricultural Prices Commission (APC) was established in:

A) 1955

B) 1965

C) 1975

D) 1985

Correct Answer: B) 1965

113. The Food Corporation of India (FCI) procures food grains from producers at:

A) Minimum support prices

B) Procurement prices

C) Issue prices

D) Market prices

Correct Answer: B) Procurement prices

114. The price at which commodities are made available to consumers at fair price shops is called:

A) Minimum support price

B) Procurement price

C) Issue price

D) Market price

Correct Answer: C) Issue price

115. International trade refers to:

A) Trade within a country

B) Trade between states

C) Trade between countries

D) Trade between continents

Correct Answer: C) Trade between countries

116. The General Agreement on Tariffs and Trade (GATT) was established in:

A) 1945

B) 1947

C) 1950

D) 1955

Correct Answer: B) 1947

117. The World Trade Organization (WTO) was established on \_\_\_\_.

A) January 1, 1990

B) January 1, 1995

C) January 1, 2000

D) January 1, 2005

Correct Answer: B) January 1, 1995

118. The headquarters of the WTO is located in:

A) New York

B) Geneva

C) Paris

D) London

Correct Answer: B) Geneva

119. The Agreement on Agriculture (AoA) was signed as a part of:

A) Tokyo Round

B) Doha Round

C) Uruguay Round

D) Geneva Round

Correct Answer: C) Uruguay Round

120. Which of the following subsidies are exempt from Aggregate Measure of Support (AMS) reduction commitments?

A) Green box and Blue box subsidies

B) Amber box and Green box subsidies

C) Blue box and Amber box subsidies

D) Red box and Amber box subsidies

Correct Answer: A) Green box and Blue box subsidies

121. The Sanitary and Phytosanitary (SPS) measures deal with:

A) Intellectual property rights

B) Environmental standards

C) Food safety and animal and plant health

D) Labor standards

Correct Answer: C) Food safety and animal and plant health

122. Patents are granted to inventors for:

A) Discoveries

B) Innovations

C) Inventions

D) Creations

Correct Answer: C) Inventions

123. Copyright is valid for \_\_\_\_\_ years after the author's death.

A) 30

B) 40

C) 50

D) 60

Correct Answer: D) 60

124. A trademark is a sign that:

A) Indicates the quality of a product

B) Distinguishes the goods of one enterprise from those of its competitors

C) Identifies the manufacturer of a product

D) Represents the price of a product

Correct Answer: B) Distinguishes the goods of one enterprise from those of its competitors

125. An agreement between an employer and an employee to keep research information secret is called a \_\_\_\_\_.

A) Patent

B) Copyright

C) Trademark

D) Trade secret

Correct Answer: D) Trade secret

126. Geographical Indications are place names used to identify products that:

A) Are produced using traditional methods

B) Have specific characteristics associated with that place

C) Are made from locally sourced ingredients

D) Have a long history of production in that region

Correct Answer: B) Have specific characteristics associated with that place

127. Which of the following is an example of a direct marketing channel?

A) Producer - Consumer

B) Producer - Retailer - Consumer

C) Producer - Wholesaler - Retailer - Consumer

D) Producer - Agent - Wholesaler - Retailer - Consumer

Correct Answer: A) Producer - Consumer

128. The quantity of produce that a farmer actually sells in the market, irrespective of his home consumption and other requirements, is called:

A) Marketable surplus

B) Marketed surplus

C) Production surplus

D) Consumable surplus

Correct Answer: B) Marketed surplus

129. Which of the following is NOT a characteristic of agricultural products that affects their marketing?

A) Seasonality

B) Perishability

C) Bulkiness

D) Brand loyalty

Correct Answer: D) Brand loyalty

130. The Agricultural Produce (Grading and Marking) Act was passed in:

A) 1927

B) 1937

C) 1947

D) 1957

Correct Answer: B) 1937

131. Which of the following is NOT a function of the Food Corporation of India (FCI)?

A) Procurement of food grains

B) Distribution of food grains

C) Maintenance of buffer stocks

D) Regulation of agricultural markets

Correct Answer: D) Regulation of agricultural markets

132. The practice of buying or selling futures contracts to offset the risk exposure in the cash market is known as:

A) Speculation

B) Arbitrage

C) Hedging

D) Diversification

Correct Answer: C) Hedging

133. The Agricultural Prices Commission (APC) was set up based on the recommendations of:

A) Jha Committee

B) Dantwala Committee

C) Abhijit Sen Committee

D) Swaminathan Committee

Correct Answer: A) Jha Committee

134. The price at which the government sells food grains to consumers through the public distribution system is called the \_\_\_\_\_ price.

A) Minimum support

B) Procurement

C) Issue

D) Market

Correct Answer: C) Issue

135. The Uruguay Round of GATT negotiations led to the establishment of:

A) United Nations Conference on Trade and Development (UNCTAD)

B) World Trade Organization (WTO)

C) International Monetary Fund (IMF)

D) World Bank

Correct Answer: B) World Trade Organization (WTO)

136. Green box subsidies under the Agreement on Agriculture (AoA) include:

A) Price support measures

B) Export subsidies

C) Research and extension services

D) Input subsidies

Correct Answer: C) Research and extension services

137. Sanitary and Phytosanitary (SPS) measures are based on:

A) Economic considerations

B) Political considerations

C) Scientific risk assessment

D) Social considerations

Correct Answer: C) Scientific risk assessment

138. Which of the following is NOT a form of intellectual property recognized under the TRIPS agreement?

A) Patents

B) Copyrights

C) Trademarks

D) Franchises

Correct Answer: D) Franchises

139. Geographical Indications are protected under:

A) Patents

B) Copyrights

C) Trademarks

D) Sui generis system

Correct Answer: D) Sui generis system

140. The difference between the marketable surplus and the marketed surplus arises due to:

A) Losses during transportation

B) Consumption by the farmer's family

C) Retention of surplus produce by the farmer

D) Government procurement

Correct Answer: C) Retention of surplus produce by the farmer

141. Which of the following is an example of vertical integration in agricultural marketing?

A) A farmer selling directly to consumers

B) A wholesaler acquiring another wholesaler

C) A processing firm engaging in retailing

D) A marketing cooperative providing credit to farmers

Correct Answer: C) A processing firm engaging in retailing

142. The most effective way to reduce price risk in agricultural marketing is through:

A) Government intervention

B) Improved transportation facilities

C) Futures trading

D) Cooperative marketing

Correct Answer: C) Futures trading

143. The \_\_\_\_\_ is the apex organization for agricultural marketing in India.

A) Directorate of Marketing and Inspection (DMI)

B) Food Corporation of India (FCI)

C) Agricultural Produce Market Committee (APMC)

D) Commission for Agricultural Costs and Prices (CACP)

Correct Answer: A) Directorate of Marketing and Inspection (DMI)



144. The Agricultural Produce Market Committee (APMC) Act regulates agricultural marketing through:

- A) Minimum support prices
- B) Direct government procurement
- C) Licensing of market functionaries
- D) Cooperative marketing societies

Correct Answer: C) Licensing of market functionaries

145. The HACCP system of food safety is recognized by:

- A) World Health Organization (WHO)
- B) Food and Agriculture Organization (FAO)
- C) Codex Alimentarius Commission
- D) World Trade Organization (WTO)

Correct Answer: C) Codex Alimentarius Commission

146. The price at which the government procures food grains from farmers for buffer stock operations is called the:

- A) Minimum support price
- B) Procurement price
- C) Issue price
- D) Market price

Correct Answer: B) Procurement price

147. The Food Safety and Standards Authority of India (FSSAI) is responsible for:

- A) Regulating agricultural markets
- B) Setting food safety standards
- C) Implementing the public distribution system
- D) Providing agricultural subsidies

Correct Answer: B) Setting food safety standards