

## Chapter 1 The story of village Palampur

Modern farming methods require more inputs, which are manufactured in industry. Do you agree?

### **Solution:**

No doubt, modern farming requires more inputs than traditional farming. These are:

- chemical fertilizers
- pesticides
- pump sets
- farm machinery
- electricity
- diesel
- HYV seeds
- water supply

Most of these inputs like fertilizers, tools, and implements are manufactured in industry. HYV seeds are developed in agriculture research laboratories. Machine industry provides various kinds of implements, irrigation pumps, and farming machinery to improve productivity and minimize farming efforts. Chemical and soil engineering-based industries provide fertilizers and pesticides to boost agriculture. Water supply is done by canals and tanks. Electricity is supplied by powerhouses.

### **Question-2**

How did the spread of electricity help farmers in Palampur?

### **Solution:**

The spread of electricity helped the farmers in Palampur in the following ways:

1. Most of the houses have electricity connections.
2. It is used to run tubewells in the fields.
3. It is used in various types of small businesses.

### **Question-3**

Is it important to increase the area under irrigation? Why?

### **Solution:**

Irrigation facilities are available only to about 40% of the cultivated land area in the country. The rest of the land, i.e., 60% of the cultivated area, is still dependent on rainfall for irrigation. It means that the benefit of multiple cropping cannot be achieved by 60% of the farmers in the country. They produce less and so their income is also low. Thus, they live in poverty.

Therefore, if these farmers are to be brought out of poverty, farm productivity has to increase. This is only possible when they use modern farming methods and

dependable irrigation facilities. Hence, it is important to increase the area under irrigation.

#### Question-4

Why are the wages for farm labourers in Palampur less than minimum wages?

#### Solution:

A waged labourer might be employed on a daily basis, or for one particular farm activity like harvesting, or for the whole year. Most small farmers have to borrow money to arrange for the capital. They borrow from large farmers or the village moneylenders or the traders who supply various inputs for cultivation. The rate of interest on such loans is very high. They are put to great distress to repay the loan. Hence they pay very low wages to the farm labourers.

#### Question-5

What are the different ways of increasing production on the same piece of land? Use examples to Explain.

#### Solution:

To grow more than one crop on a piece of land during the year is known as multiple cropping. It is the most common way of increasing production on a given piece of land. All farmers in Palampur grow at least two main crops; many are growing potato as the third crop in the past fifteen to twenty years.

#### Question-6

How do the medium and large farmers obtain capital for farming? How is it different from the small farmers?

#### Solution:

In contrast to the small farmers, the medium and large farmers have their own savings from farming. They are thus able to arrange for the capital needed.

#### Question-7

On what terms did Savita get a loan from Tejpal Singh? Would Savita's condition be different if she could get a loan from the bank at a low rate of interest?

#### Solution:

Savita was a small farmer. She planned to cultivate wheat on her 1-hectare land. Besides seeds, fertilizers and pesticides, she needed cash to buy water and repair her farm instruments. She estimated that her working capital itself would cost a minimum of Rs 3,000. She didn't have the money, so she decided to borrow from Tejpal Singh, a large farmer. Tejpal Singh agreed to give Savita the loan at an interest rate of 24 percent for four months, which was a very high-interest rate.

Savita also had to promise to work on his field as a farm labourer during the harvest season at Rs 35 per day. Savita knew that this wage is quite low and she will have to work very hard to complete harvesting on her own field, and then work as a farm labourer for Tejpal Singh. Savita agreed to those tough conditions, as she knew, that

getting a loan is difficult for a small farmer. Yes, Savita's condition would have been different if she could get a loan from the bank at a low rate of interest.

### Question-8

What can be done so that more non-farm production activities can be started in villages?

#### **Solution:**

The villagers must be made aware of the non-farm production activities and their benefits. They must also be taught the methods of doing such activities. The villagers who have the impression that they can earn only by farming, must be given proper guidance and help to do such activities.