**Overview**

Agriculture is the most important sector of the Indian Economy. The Indian agriculture sector accounts for 18 per cent of India’s gross domestic product (GDP) and employs 50% of the country’s workforce. India is the world’s largest producer of pulses, rice, wheat, spices and spice products. The Story of Village Palampur discusses topics related to the organisation of production, labour work, capital, crops production, transport, etc

An introduction to some basic concepts related to production through a hypothetical village called Palampur where farming is the main activity. The village also has several other activities such as small scale manufacturing, dairy, transport, etc, carried out on a limited scale.

**Introduction**

Palampur is fairly connected with a well-developed system of roads, transport, electricity, irrigation, schools and health centres. The story of Palampur takes us through the different types of production activities in the village. In India, farming is the main production activity across villages.

**Organisation of Production**

The main aim of production is to produce goods and services, which require four essential components.

* Land and other natural resources such as water, forests, minerals
* Labour
* Physical Capital such as tools, machines, buildings, raw materials and money

A variety of raw materials are required during the process of production, such as the yarn used by the weaver and clay used by the potter. Money is also essential during production and both of them in hand are called working capital. The fourth requirement is knowledge and enterprise to be able to put together land, labour and physical capital and produce an output. The factors of production are combining of land, labour, physical capital and human capital.

**Farming in Palampur**

* **Land is fixed**

For Palampur, village farming is their main production and the wellbeing of these people is related to production on the farms. But, there is a basic constraint in raising farm production. Land area under cultivation is practically fixed.

* **Is there a way one can grow more from the same land?**

In the rainy season, Kharif farmers grow jowar and bajra followed by the cultivation of potato between October and December. In winter, farmers grow wheat and a part of the land is devoted to sugarcane harvested once every year. Due to well-developed irrigation, farmers can grow three different crops. Electricity transformed the system of irrigation. Multiple cropping means to grow more than one crop on a piece of land. Another way for higher yield is modern farming. In the later 1960s, the Green Revolution introduced the Indian farmer to cultivation of wheat and rice using high yielding varieties (HYVs) of seeds.

* **Will the land sustain?**

Modern farming methods have overused the natural resource base. Due to increased use of chemical fertilisers, the soil lost its fertility. Natural resources like soil fertility and groundwater are destroyed and it is very difficult to restore them.

* **How is land distributed between the farmers of Palampur?**

Land is important for any kind of farming. In Palampur, about one-third of the 450 families are landless. Dalits have no land for cultivation. 240 families cultivate small plots of land less than 2 hectares in size. In Palampur, there are 60 families of medium and large farmers who cultivate more than 2 hectares of land.

* **Who will provide the labour?**

Small farmers cultivate their own lands. Medium and large farmers hire labourers to cultivate their fields who come either from landless families or families cultivating small plots of land. Farm labourers will not have any right over the crops grown on the land. They will be paid on wages for their work which can be cash or in-kind, e.g. crop. Sometimes labourers get meals also. Wages vary from region to region, crop to crop, one farm activity to another. Farm labourers are employed on a daily basis, or for one particular farm activity like harvesting, or for the whole year.

* **Capital needed in farming**

Modern farming methods require a great deal of capital.

1. Most small farmers borrow money 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.
2. The medium and large farmers have their own savings from farming. They are thus able to arrange for the capital needed.

* **Sale of Surplus Farm Products**

The wheat the farmers produce from the land is retained in part for their family consumption and they sell the surplus wheat. Only the medium and large farmers supply wheat to the market.

**Non-Farm Activities in Palampur**

25 per cent of the people working in Palampur are engaged in activities other than agriculture.

* **Dairy — the other common activity**

Other than agriculture, some people are engaged in dairy and the milk is sold in the nearby village.

* **An example of small-scale manufacturing in Palampur**

People are engaged in small-scale manufacturing which is carried out at home or in the fields. This manufacturing involves very simple production methods.

* **The shopkeepers of Palampur**

Traders of Palampur buy various goods from wholesale markets in the cities and sell them in the village. General stores in the village sell a wide range of items like rice, wheat, sugar, tea, oil, biscuits, soap, toothpaste, batteries, candles, notebooks, pen, pencil, even some types of cloth.

* **Transport: a fast developing sector**

Transport services include rickshaws, tonga, jeep, tractor, truck drivers, traditional bullock cart and bogey. They transport people and goods from one place to another and in return get paid for it.

**Extra Question**

**Question 1**

‘Bigha’ and ‘Guintha’ are

(a) the type of village house

(b) the type of hybrid seeds

(c) the measuring units of grain

(d) the measuring units of land area in village

**Answer**: (d) the measuring units of land area in village

**Question 2.**

Finance raised to operate a business is called

(a) labour

(b) enterprise

(c) land

(d) capital

Answer: (d) capital

**Question 3**

Minimum wages for a farm labourer set by the government is

(a) ₹80

(b) ₹90

(c) ₹115

(d) ₹120

Answer: (c) ₹115

**Question 4**

The Green Revolution introduced the farmers to

(a) cultivation of wheat and rice

(b) cultivation of green vegetables

(c) cultivation of sugar cane

(d) cultivation of forests

Answer: (a) cultivation of wheat and rice

**Question 5**

The small farmers constitute about \_\_\_\_\_\_\_\_\_ per cent of total farmers in India.

(a) 50

(b) 60

(c) 70

(d) 80

Answer: (d) 80

**Question 6**

The new ways of farming need

(a) less land

(b) more capital

(c) machinery

(d) all of the above

Answer: (d) all of the above

**Question 7**

The most abundant factor of production is

(a) labour

(b) land

(c) machinery

(d) all of the above

Answer: (a) labour

**Question 8**

Multiple Cropping refers to :

(a) Cultivation of wheat and rice

(b) cultivation of two crops in alternate rows

(c) cultivating more than one crop on the same field each year

(d) cultivating crops and rearing animals on the same farm

Answer: (c) cultivating more than one crop on the same field each year

**Question 9**

Working capital stands for :

(a) Tools, machines and buildings

(b) raw materials and money in hand

(c) total share capital

(d) fixed deposits in financial institutions

Answer: (b) raw materials and money in hand

**Question 10**

Which one of the following is not an effect of the modern farming?

(a) Soil degradation

(b) Deforestation

(c) Decrease in groundwater

(d) Water pollution

Answer: (d) Water pollution

**Question 11**

How many families lives in Village Palampur?

(a) 150

(b) 250

(c) 350

(d) 450

Answer: (d) 450

**Question 12**

Where do most of the small farmers borrow money to arrange for the capital in Palampur?

(a) Banks

(b) Co-operative Societies

(c) Village money lenders

(d) Friends and relatives

Answer: (c) Village money lenders

**Question 13**

‘Operation Flood’ is related to :

(a) control flood

(b) produce fish

(c) milk production

(d) grain production

Answer: (c) milk production

**Question 14**

Consumption of chemical fertilisers is highest in which state of India?

(a) Punjab

(b) Haryana

(c) Rajasthan

(d) Himachal Pardesh

Answer: (a) Punjab

**Question 15**

Scope of farming activity is limited in Palampur due to

(a) Fixed amount of land

(b) lack of irrigation

(c) lack of labour

(d) none of the above

Answer: (a) Fixed amount of land

**Question 16**

Who is a person who puts together land, labour and capital?

(a) Moneylender

(b) Entrepreneur

(c) Zamindar

(d) Manager

Answer: (b) Entrepreneur

**Question 17**

High Yielding Variety (HYV) seeds are developed in

(a) Research institutes

(b) Factories

(c) Krishak Bharati Cooperatives

(d) None of the above

Answer: (a) Research institutes

**Question 18**

Which Kharif crop is used for cattle feed?

(a) Sugarcane

(b) Potato

(c) Jowar and bajra

(d) Wheat

Answer: (c) Jowar and bajra

**Question 19**

Which of the following is a modern farming method?

(a) Multiple cropping

(b) Use of HYV seeds

(c) Use of chemical fertilisers

(d) Both (b) and (c)

Answer: (d) Both (b) and (c)

**Question 20**

Which area in India has a low level of irrigation?

(a) Deccan plateau

(b) Coastal regions

(c) Riverine plains

Answer: (a) Deccan plateau

**Question 21**

Multiple cropping means growing

(a) only two crops

(b) only three crops

(c) upto four crops

(d) more than one crop

Answer: (d) more than one crop

**Question 22**

HYV seeds stands for

(a) Heavy yielding variety seeds

(b) High yielding variety seeds

(c) Half yielding variety seeds

(d) None

Answer: (b) High yielding variety seeds

**Question 23**

The minimum wages for a farm labourer set by the government is

(a) Rs. 50

(b) Rs. 60

(c) Rs. 70

(d) Rs. 80

Answer: (b) Rs. 60

**Question 24**

Which of the following is fixed capital?

(a) Tools and machines

(b) Fertilisers and pesticides

(c) Soil

(d) Seeds

Answer: (a) Tools and machines

**Question 25**

Which of the following is grown in the rainy season?

(a) Jowar and bajra

(b) Wheat

(c) Soyabean

(d) Rice

Answer: (a) Jowar and bajra

**Question 26**

Which of the following terms is used for measuring the crop produced on a given piece of land during a single year?

(a) Yield

(b) Productivity

(c) Cultivation

(d) Output

Answer: (a) Yield

**Question 27**

What is the source of capital for the large farmers?

(a) Banks and own savings

(b) Money lenders and relatives

(c) Banks and money lenders

(d) Poor farmers

Answer: (a) Banks and own savings

**Question 28**

What is done to surplus wheat in Palampur?

(a) Sold in the market

(b) Destroyed

(c) Given in charity

(d) Stocked by self

Answer: (a) Sold in the market

**Question 29**

HYV seeds stands for

(a) Heavy yielding variety seeds

(b) High yielding variety seeds

(c) Half yielding variety seeds

(d) None of the above

Answer: (b) High yielding variety seeds

**Question 30**

Which of the following is a modern farming method?

(a) Multiple cropping

(b) Use of HYV seeds

(c) Use of chemical fertilisers

(d) Both (b) and (c)

Answer: (d) Both (b) and (c)

**Question 31**

Which of the following statements is not true about small-scale manufacturing in villages?

(a) Farmers engage in it to supplement their income

(b) Farmers take help of their family members

(c) The production is done mostly at home

(d) Farmers produce articles for their own use

Answer: (d) Farmers produce articles for their own use

**Question 32**

Which is the most abundant factor of production in India?

(a) Land

(b) Capital

(c) Labour

(d) Tools and machines

Answer: (c) Labour

**Question 33**

Which of the following crops is grown in Palampur during Kharif

(a) Rice

(b) Wheat

(c) Jowar

(d) Sugarcane

Answer: (c) Jowar

**Question 34**

Which among the following states was first to try out the modern farming methods in India?

(a) Haryana

(b) Jharkhand

(c) Bihar

(d) Odisha

Answer: (a) Haryana

**Question 35**

Where do most of the small farmers borrow money to arrange for the capital in Palampur?

(a) Banks

(b) Co-operative Societies

(c) Village money lenders

(d) Friends and relatives

Answer: (c) Village money lenders

**Question 36**

Which one of the following is a rabi crop?

(a) Cotton

(b) Millets

(c) Gram

(d) Rice

Answer: (c) Gram

**Question 37**

Which product is sold by Mishri Lal traders in Shahapur

(a) Jaggery

(b) Cotton Textile

(c) Machine Tools

(d) Fertilisers

Answer: (a) Jaggery

**Question 38**

Which one is a natural resource?

(a) Labour

(b) Raw materials

(c) Mineral

(d) None of the above

Answer: (c) Mineral

**Question 39**

Money in hand is an example of

(a) Human capital

(b) Fixed capital

(c) Working capital

(d) Physical capital

Answer: (c) Working capital

**Question 40**

What was the concept of white revolution is associated with?

(a) food crops

(b) milk

(c) cotton

(d) pesticides

Answer: (b) milk

**Question 41**

The standard unit of measuring agricultural land is:

(a) Km

(b) Bigha

(c) Guinea

(d) Hectare

Answer: (d) Hectare

**Question 42**

What percentage of total land area is cultivated by Medium and Large farmers?

(a) 36 %

(b) 50 %

(c) 85 %

(d) 64 %

Answer: (d) 64 %

**Question 43**

Land under cultivation (in million hectares) in India in the year 2000 was

(a) 120

(b) 130

(c) 140

(d) 150

Answer: (c) 140

**Question 44**

Which area in India has a low level of irrigation?

(a) Deccan plateau

(b) Coastal regions

(c) Riverine plains

(d) Both (a) and (b)

Answer: (a) Deccan plateau

**Question 45**

During your field visit talk to some farmers of your region. Find out:

1. What kind of farming methods—modem or traditional or mixed—do the farmers use? Write a note.
2. What are the sources of irrigation?
3. How much of the cultivated land is irrigated? (very little/nearly half/majority/all)
4. From where do farmers obtain the inputs that they require?

Answer:

1. Most of the farmers in my region use modem farming methods. However, some are still carrying on traditional methods. These farmers are too poor to follow modem farming methods which need more cash.
2. Wells and tubewells.
3. Majority of the cultivated land is irrigated.
4. Farmers obtain the required inputs from the local markets. The money that they need to buy the inputs either comes from their own savings or they take a loan from the bank.

**Question 46**

Fill in the Blanks

Among the three factors of production, we found that labour is the most abundant factor of production. There are many people who are willing to work as farm labourers in the villages, whereas the opportunities of work are limited. They belong to either landless families or

1) \_\_\_\_\_\_ They are paid low wages, and lead a difficult life In contrast to labour

2) \_\_\_\_\_\_ is a scarce factor of production. Cultivated land area is

3) \_\_\_\_\_\_ Moreover, even the existing land is distributed.

4) \_\_\_\_\_\_ among the people engaged in farming there are a large number of small farmers who cultivate small plots of land and live in conditions not much better than the landless farm labourer. To make the maximum use of the existing land, farmers use

5) \_\_\_\_\_\_ and

6) \_\_\_\_\_\_ Both these have led to increase in production of crops. Modem farming methods require a great deal of

7) \_\_\_\_\_\_ Small farmers usually need to borrow money to arrange for the capital, and are put to great distress to repay the loan. Therefore, capital too is a scarce factor of production, particularly for the small farmers. Though both land and capital are scarce, there is a basic difference between the two factors of production.

8) \_\_\_\_\_\_ is a natural resource, whereas.

9) \_\_\_\_\_\_ is man-made. It is possible to increase capital, whereas land is fixed. Therefore, it is very important that we take good care of land and other natural resources used in farming.

Answer:

1) Families cultivating small plots of land

2) land

3) fixed

4) unequally

5) HYV seeds

6) chemical fertilisers

7) capital

8) Land

9) capital

**Small Question**

**Question 1.**

What is the main reason behind growing three different crops in a year?

Answer: The village has a well-developed system of irrigation.

**Question 2.**

What are the main factors of production?

Answer: Land, labour, physical capital and human capital.

**Question 3.**

Machinery, work plants, equipments, new technology, buildings are the example of

Answer: Fixed capital

**Question 4.**

Consumption of chemical fertilisers is highest in which State of India?

Answer: Punjab

**Question 5.**

The quality of resources which can be improved through investment in education and training is the \_\_\_\_\_\_\_ .

Answer: Human capital

**Question 6.**

Why is there heavy competition for work among the farm labourers in village Palampur?

Answer: Because people are ready to work for lower wages.

**Question 7.**

To grow more than one crop on a piece of land during the year is called \_\_\_\_\_\_\_ .

Answer: Multiple cropping.

**Question 8.**

The use of higher yields with combination of HYV (High Yielding Varieties) seeds, irrigation, chemical fertilisers, pesticides, etc. refers to \_\_\_\_\_\_\_ .

Answer: Modern cropping.

**Question 9.**

One of the important non-farming activities besides farming in Palampur is \_\_\_\_\_\_\_ .

Answer: Dairy farming.

**Question 10.**

Some shopkeepers in Palampur buy various goods from wholesale markets in the cities and sell them in the village. This process is called .

Answer: Trading (exchange of goods).

**Question 11.**

Name two crops that grow in the rainy season.

Answer: Jowar and bajra

**Question 12.**

Money in hand and raw materials are an example of \_\_\_\_\_\_\_ .

Answer: Working capital

**Question 13.**

When were the high yielding varieties (HYV) of seeds introduced to the Indian farmers? -<§01

Answer: In the late 1960s

**Question 14.**

What is the main production activity in Palampur village?

Answer: Farming is the main production activity in Palampur village.

**Question 15.**

What do you understand by the Green Revolution?

Answer: Green Revolution was started in the late 1960s in the field of agriculture, under this revolution, modern methods of farming were adopted to increase agriculture product.

**Question 16.**

Who are the small farmers?

Answer: Small farmers are those farmers who have less than 2 hectares of land.

**Question 17.**

How many people of Palampur village were engaged in non-farming activities?

Answer: 25% people of Palampur village were engaged in non-farming activities.

**Question 18.**

What is the full form of HYV?

Answer: High-Yielding Varieties.

**Question 19.**

How can you say that the use of modern farming methods is beneficial for Indian farmers?

Answer: By using modern farming methods, Indian farmers are able to produce much greater amount of grains on a single plant. There is a large increase in the production of wheat. Using these methods, the farmers have greater amounts of surplus wheat to sell in the markets.

**Question 20.**

What is the most abundant factor of production?

Answer: Labour is the most abundant factor of production.

**Question 21.**

From where do most of the small farmers borrow money to arrange for the capital in Palampur?

Answer: Village moneylenders

**Question 22.**

Why do the farmers of Palampur follow multiple cropping?

Answer: It is because this method is the most common way of increasing production.

**Question 23.**

What is meant by working capital?

Answer: Raw materials and money in hand are called working capital.

**Question 24.**

Give two examples of fixed capital.

Answer: Machines and buildings.

**Question 25.**

What role do markets play in the expansion of non-farm activities?

Answer: Goods and services produced are sold in the markets.

**Question 26.**

What is multiple cropping?

Answer: Multiple cropping means growing more than one crop on the same piece of land in a year.

**Question 27.**

Name the Indian states that tried out the modern farming methods at first.

Answer: Farmers of Punjab, Haryana and Western Uttar Pradesh were the first to try out the modern farming methods in India.

**Question 28.**

What is measured as the crop produced on given piece of land during a single season?

Answer: Yield is measured as crop produced on a given piece of land during a single season.

**Question 29.**

What are the constituents of modern farming methods?

Answer: The constituents of modern farming methods are use of high yielding variety of seeds, using chemical fertilisers and pesticides, as well as using plenty of water for irrigation.

**Question 30.**

Mention one difference between land and capital.

Answer: Land is a natural resource whereas capital is man-made factor of production.

**Question 31.**

What is the harmful effect of continuous use of groundwater for tubewell irrigation?

Answer: The continuous use of groundwater for tubewell irrigation has led to the depletion of the water-table.

**Question 32.**

What is aim of production?

Answer: The aim of production is to produce the goods and services that we want.

**Short Answer Type Questions**

**Question 1.**

What are the essential four requirements for production?

Answer: The essential four requirements for production of goods and services are :

* Land, and other natural resources like water, forests, minerals.
* Labour, i.e., people who will do the work. Each worker is providing the labour necessary for production.?
* The third requirement is physical capital, i.e., variety of inputs required at every stage during production.
* The fourth requirement is knowledge and enterprise to be able to put together land, labour and physical capital and produce an output.

**Question 2.**

Mention the main features of the Green Revolution.

Answer: The main features of Green Revolution are :

* Increase in the production of wheat and rice.
* Use of chemical fertilizers.
* Use of insecticides and pesticides.
* Use of High Yielding Varieties (HYVs) of seeds.
* Mechanisation of agriculture. (Any three)

**Question 3.**

What are the harmful effects of the Green Revolution.

Answer: The harmful effects of the Green Revolution are :

* The Green Revolutions is responsible for the loss of soil fertility due to increased use of chemical fertilizers.
* The chemical fertilizers provide minerals which dissolve in water and are immediately available to plants. But, these may not be retained in the soil for long.

**Question 4.**

What do you mean by working capital?

Answer: Production requires a variety of raw materials such as the yarn used by the weaver and the clay used by the potter. Also, some money is always required during production to make payments and buy other necessary items. Raw materials and money in hand are called working capital. Unlike tools, machines and buildings, these are used up in production.

**Question 5.**

What was the major disadvantage associated with HYV seeds? Explain.

Answer: The biggest disadvantage associated with HYV seeds is the requirement of plenty of water and chemical fertilisers and pesticides to produce best results. Higher yields are possible only from combination of HYV seeds, irrigation, chemical fertilisers, pesticides, etc. Chemical fertilisers and pesticides degrade our environment by killing necessary bacteria in soil. Poor farmers can not afford HYV seeds due to increased requirement of fertilisers and machinery. New machinery replaced manual labour leading to unemployment and rural-urban migration.

**Question 6.**

Discuss dairy farming, a non-farming, activity in village Palampur, in detail.

Answer:

Dairy is a common activity in many families of Palampur. People feed their buffalos on various kinds of grass, the jowar and bajra that grow during the rainy season. The milk is sold in Raiganj, the nearby large village.

Two traders from Shahpur town have set up collection cum chilling centers at Raiganj from where the milk is transported to far away towns and cities.

**Question 7.**

Discuss small-scale manufacturing, a non-farming activity in village Palampur, in detail.

Answer:

* Less than fifty people are engaged in manufacturing in Palampur.
* Unlike the manufacturing that takes place in the big factories in the towns and cities, manufacturing in Palampur involves very simple production methods and are done on a small scale.
* They are carried out mostly at home or in the fields with the help of family labour. Rarely are labourers hired.

**Question 8.**

Describe transportation, a non-farming activity in village Palampur, in detail.

Answer:

* There are varieties of vehicles on the road connecting Palampur to Raiganj.
* Rickshawallahs, tongawallahs, jeep, tractor, truck drivers and people driving the traditional bullock cart and bogey are people in the transport services.
* They ferry people and goods from one place to another, and in return get paid for it. The number of people involved in transport has grown over the last several years.

**Question 9.**

How did Mishrilal managed to get a small profit in his business?

Answer: Mishrilal has purchased a mechanical sugarcane crushing machine that run on electricity and has set it up on his field. Sugarcane crushing was earlier done with the help of bullocks, but people prefer to do it by machines these days.

Mishrilal also buys sugarcane from other farmers and processes it into jaggery. The jaggery is then sold to traders at Shahpur. In the process, Mishrilal makes a small profit.

**Question 10.**

What do you mean by physical capital? What are the items that come under physical capital?

Answer: Physical capital includes the variety of inputs required at every stage during production. The following items come under the category of physical capital:

(a) **Tools, machines, buildings**: Tools and machines range from very simple tools such as a farmer’s plough to sophisticated machines such as generators, turbines, computers, etc. Tools, machines, building can be used in production over many years.

(b) **Raw materials and money in hand**: Production requires a variety of raw materials such as the yarn used by the weaver and the clay used by the potter. Also, some money is always required during production to make payments and buy other necessary items. Raw materials and money in hand are called working capital.

**Question 11.**

Write a short note on shopkeeping, a non-farming activity in village Palampur.

Answer: There are very less people involved in trade in Palampur. The traders of Palampur are shopkeepers who buy various goods from wholesale markets in the cities and sell them in the village. There are small general stores in the village selling a wide range of items like rice, wheat, sugar, tea, oil, biscuits, soap, toothpaste, batteries, candles, notebooks, pen, pencil, even some clothes. A few of the families whose houses are close to the bus stand have used a part of the space to open small shops. They sell eatables.

**Question 12.**

What are the various types of crops grown in village Palampur?

Answer: The entire land is cultivated in village Palampur. There are different types of crops grown in the village.

During the rainy season (kharif,) farmers grow jowar and bajra. These plants are used as cattle feed. It is followed by cultivation of potato between October and December. In the winter season (rabi), fields are sown with wheat. A part of the land area is also devoted to sugarcane which is harvested once every year. Sugarcane, in its raw form, or as jaggery, is sold to traders in Shahpur.

**Question 13.**

What do you mean by surplus? How is the sale of surplus farm products done?

Answer: Surplus is the difference between the quantity of total production of the crop produced by the farmer and the quantity that he keeps for self-consumption.

Medium and large farmers produce a large surplus of the crop. By selling this surplus crop in the market, they earn income. The traders at the market buy the crop and sell it further to the shopkeepers in the towns and cities.

**Question 14.**

How is the required capital in farming arranged?

Answer:

* 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.
* 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.

**Long Answer Type Questions**

**Question 1.**

How can you say that Palampur is a well-developed village?

Answer: Palampur is a well-developed village because :

* This village has about 450 families belonging to several different castes. The 80 upper caste families own the majority of land in the village. Their houses, some of them quite large, are made of brick with cement plastering.
* The SCs (dalits) comprise one-third of the population and live in one corner of the village and in much smaller houses, some of which are of mud and straw.
* Most of the houses have electric connections. Electricity powers all the tubewells in the fields and is used in various types of small business.
* Palampur has two primary schools and one high school. There is a primary health centre run by the government and one private dispensary where the sick are treated.

**Question 2.**

Differentiate between fixed capital and working capital.

Answer: Both fixed capital and working capital come under the category of physical capital which is one of the four requirements for production of goods and services.

(i) Fixed Capital :

* It includes fixed factors of production which are used for years.
* Tools and machines range from very simple tools such as a farmer’s plough to sophisticated machines such as generators, turbines, etc.
* It includes tools, machines, buildings, computers, etc.

(ii) Working Capital :

* It includes variable factors of production which are needed to be arranged every time at the time of production.
* Whatever money and raw material are required for production, are included in it.
* It is required to be arranged according to the desired production.

**Question 3.**

What are the main reasons to grow three different crops in a year in Palampur?

Answer: The main reasons to grow three different crops in a year in Palampur are :

* To grow three different crops in a year in Palampur is due to the well-developed system of irrigation. Electricity came early to Palampur. Its major impact was to transform the system of irrigation.
* Persian wheels were, till then, used by farmers to draw water from the wells and to irrigate small fields. People saw that the electric-run tubewells could irrigate much larger areas of land more effectively.
* The first few tubewells were installed by the government. Soon, however, farmers started setting up private tubewells.
* As a result, by mid-1970s, the entire cultivated area of 200 hectares (ha.) was irrigated.

**Question 4.**

What is meant by the Green Revolution? Mention some of its important features.

Answer:

* The Green Revolution in the late 1960s introduced the Indian farmer to cultivation of wheat and rice using High Yielding Varieties (HYVs) of seeds. Compared to the traditional seeds, the HYV seeds promised to produce much greater amounts of grain on a single plant.
* As a result, the same piece of land would now produce far larger quantities of foodgrains than was possible earlier.
* HYV seeds, however, needed plenty of water and also chemical fertilizers and pesticides to produce best results. Higher yields were possible only from a combination of HYV seeds, irrigation, chemical fertilisers, pesticides, etc.
* Farmers of Punjab, Haryana and Western Uttar Pradesh were the first to try out the modem farming method in India. The farmers in these regions set up tubewells for irrigation, and made use of HYV seeds, chemical fertilizers and pesticides in farming.
* Some of them bought farra-machinery like tractors and threshers, which made ploughing and harvesting faster. They were rewarded with high yields of wheat.

**Question 5.**

What are the features of traditional methods of farming?

Answer: The features of traditional methods of farming are :

* Traditional seeds are used in this farming.
* Irrigation depends upon monsoons.
* Wooden tools and equipment are used.
* Bullock carts are used to plough land.
* The production is done for family use.
* Manure and cow dung are used to increase the fertility of the soil.

**Question 6.**

What are the ill effects of the Green Revolution?

Answer: The ill effects of the Green Revolution are :

* The Green Revolution is associated with the loss of soil fertility due to increased use of chemical fertilizer.
* Continuous use of groundwater for tubewell irrigation has led to the depletion of the water-table.
* Environmental resources like soil fertility and groundwater, are built up over years. Once destroyed, it is very difficult to restore them.
* Modern farming methods used under the Green Revolution have overused the natural resources base. Maximum forestland was converted into agricultural land.
* The Green Revolution was limited only up to few states like Punjab and Haryana.

**Question 7.**

How is land distributed amongst the farmers of Palampur?

Answer:

* In Palampur, about one-third of the 450 families are landless, i.e., 150 families. Most of them are dalits, and have no land for cultivation.
* 240 families cultivate small plots of land less than 2 hectares in size. Cultivation of such plots doesn’t bring adequate income to the farmer’s family.
* On the other hand, more than half the area of the village is covered by plots that are quite large in size.
* In Palampur, there are 60 families of medium and large farmers who cultivate more than 2 hectares of land. A few of the large farmers have land extending over 10 hectares or more.