

## CHAPTER-6 RURAL DEVELOPMENT

### Short answer type questions

**1. What is rural development?**

Ans. Rural development is an action plan for the economic and social upliftment of rural areas.

**2. What is meant by agricultural diversification?**

Ans. Agricultural Diversification means a major proportion of the increasing labour force in the agricultural sector needs to find alternate employment opportunities in other nonfarm sectors.

**3. What is TANWA?**

Ans. TANWA (Tamil Nadu Women in Agriculture) is a project initiated in Tamil Nadu where rural women find employment in nonfarm jobs, as well as they are trained in latest agricultural techniques.

**4. What is 'Golden Revolution'?**

Ans. The period between 1991-2003 is called 'Golden Revolution' because during this period the named investment in horticulture became highly productions and the sector emerged as a sustainable livelihood option.

**5. Write two instruments to safeguard the interests of farmers by the government.**

Ans. Two instruments are fixation of minimum support price (MSP) buffer stock.

**6. What is cooperative marketing?**

Ans. Cooperative marketing is a measure to ensure a fair price of farmers. Member farmers sell their surplus to the cooperative society which substitutes collective bargaining in place of individual bargaining and hence provides best advantages to the farmers.

**7. What do you mean by 'Operation Flood'?**

Ans. From 1966 onwards operation flood is a system whereby all the farmers can pool their milk produce according to different grading (based on quality) and the same is processed and marketed to urban centers through cooperatives.

**8. What do you mean by micro credit programmer.**

Ans. Credit provisions made by self help groups (SHG) to its different members is known as micro credit programme.

**9. Define non institutional sources of agricultural credit.**

Ans. Noninstitutional sources include money lenders, traders, commission agents, landlords, relations and friends.

**10. What is agricultural marketing?**

Ans. Agricultural marketing is a process of marketing in which farm produce are distributed through wholesalers and stockiest to ultimate consumers.

**11. Mention two limitations of rural banking.**

Ans. Two limitations of rural banking are inadequate finance and large amount of over dues and default rate.

**12. Name two institutional sources of agricultural credit.**

Ans. Two institutional sources of agricultural credit are cooperative credit societies and commercial banks.

**13. Which state has an efficient implementation of milk cooperatives?**

Ans. Gujarat state has the efficient implementation of milk cooperatives.

**14. When was NABARD established?**

Ans. NABARD (National Bank for Agriculture and Rural Development) was established in 1982

**15. What is sustainable development?**

Ans. Sustainable development is a system of a long period sustainable process along with an eco-friendly environment.

### Long Answer type questions

**Q.1 Explain the steps taken by the government in developing rural markets.**

ANSWER:

The following are the various steps initiated by the Indian government to develop the rural markets:

**1. Regulated Markets:** The government came up with the concept of regulated market where the sale and purchase of the products are monitored by the Market Committee. This Market Committee consists of farmers, government agents and traders. This practice infuses greater transparency in the marketing system through the use of proper scales and weights. Such committees ensure the farmers and the consumers in receiving fair price in exchange of their products

**2. Infrastructure Development:** The present infrastructure is not sufficient to meet the growing demands of the farmers. Indian government provided cold storages and warehouses that help the farmers to sell their product at the time when the price is attractive. Also, railways offer subsidised transport facilities to the farmers. This enables the farmers to bring their product to urban areas where they can earn huge profits.

**3. Co-operative Agricultural Marketing Societies:** The government also started co-operative marketing under which the farmers get access to fair prices. This is due to the better and enhanced bargaining power of the farmers via collective sale in the market.

**4. MSP Policy:** Minimum Support Price is a minimum legislated price that a farmer may charge in exchange for his products. This enables them to sell their products in the open market at a higher price. The MSP insulates the farmers in case of price fall as this is the minimum price that they can receive. The need of such assurance to the farmers is of immense importance as farming in India is subject to many uncertainties.

### Q.2 What do you mean by agricultural marketing.

Answer: agriculture marketing is a process that involves the assembling storage, processing, transportation, packaging, grading and distribution of different agricultural commodities across the country.

### Q.3 Bring out the importance of animal husbandry, fisheries and horticulture as a source of diversification.

ANSWER:

#### 1. Importance of Animal Husbandry

Animal husbandry is the most important non-farm employment in India. It is also known as Livestock Farming. Poultry, cattle and goats/sheep are the important components of livestock farming in India. Most of the rural families carry out livestock farming together with crop farming in order to increase their income. The share of livestock farming is comparatively higher in the semi arid and arid areas than the irrigated areas. This is because the arid areas have lesser access to irrigation facilities and thereby, crop farming is less feasible. Thus, in other words, it can be said that livestock farming provides sustainable livelihood to the people in the semi arid and arid regions where farming can't be performed well. Further, capital investment in livestock farming is comparatively less than that in crop farming. In addition, livestock farming is an important source of employment for rural women. Presently, animal husbandry is the most important source of alternative employment, employing approximately 70 million small and marginal farmers. Besides providing employment, livestock farming has resulted in increased production of milk, eggs, meat, wool and other by-products, enhancing the consumption bundle qualitatively and nutritionally.

#### 2. Importance of Fisheries

'Fisheries' are an important source of livelihood in the coastal states such as Kerala, Maharashtra, Gujarat and Tamil Nadu. The fishing community in India depends on water bodies- both inland and marine water bodies. Inland sources include rivers, lakes, ponds, and streams, while, the marine sources include seas and oceans. The increasing efforts by the state governments have attracted funds in this sector, boosting the production. But this community remains one of the backward communities in the country due to low per capita earnings, lack of labour mobility to other sectors, illiteracy and indebtedness. Despite a significant segment engaged, this sector contributes only 1.4% to India's total GDP.

#### 3. Importance of Horticulture

Horticulture is emerging as an important source of livelihood in the rural areas. Horticultural crops include fruits, vegetables, medicinal and aromatic plants and flowers. Presently, India is the second largest producer of fruits and vegetables that includes mangoes, bananas, coconuts, cashew nuts and variety of species. There has been a considerable rise in the income levels of families engaged in horticultural production. The increase in horticultural production has lowered the vulnerability of small and marginal farmers. This has provided a gateway of opportunities for employment for

women. It generates employment for 19% of India's total labour force. In contrast to fishing, Horticulture does not suffer from ecological and environmental problem. Hence, horticulture must be promoted with sufficient investment and infrastructure.