



Government of Tamil Nadu
Department of Employment and Training

Course : TNPSC Combined Civil Services Examination - IV(Group IV / VAO)

Subject : Indian Economy

Topic : Land Reforms and Agriculture

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Land Reforms and Agriculture

Land Reforms

Land reforms refer to all kinds of policy-induced changes relating to the ownership, tenancy and management of land.

Land Reforms in India

The land reforms program in India has been done through three different methods

- i) Voluntary adoption facilitated by incentives provided by the State through measures like Co-operative farming and Consolidation of holdings.
- ii) Voluntary adoption supplemented by statutory compulsion made possible by the enactment of legislation as in the case of consolidation of holdings.
- iii) Compulsion exercised through different legislative measures, as with the abolition of intermediaries, tenancy reforms, ceilings on holdings.

Agricultural Marketing

Agricultural marketing means the economic process under which agricultural goods are exchanged.

Marketable Surplus

It may be defined as the residual of produce left with the producer after meeting his requirements for family consumption, farm needs etc. It also means the portion of produce left for sale. It can be measured as (old stocks + Current output) – (Consumption + waste + inventories for next season)

Food Corporation of India (FCI)

It is a nodal Agency which undertakes procurement, distribution and storage of food grains.

Minimum Support Price (MSP)

The main objective of announcing MSP is

1. To prevent fall in prices in the situation of over production.
2. To protect the interest of farmers by ensuring them a minimum price for their crops in the situation of “price falls” in the market.

It is the price at which government is ready to purchase the food grains from the farmers directly if the food grain price becomes lower than MSP. It was announced before sowing of crops in order to protect the interest of farmer. It is fixed on the basis of recommendations made by the Commission for Agriculture cost & prices (CACP) which takes in to consideration of the input costs and favourable returns to the farmers.

Procurement Price

Procurement Price is a price at which the government purchases the crops from the farmers for its food grain procurement required to meet the Targeted Public distribution system (TPDS)

Issue Price

This is the price at which the food grains are allowed by the government to take off from the FCI is called as Issue Price. This is the price at which FCI sells its food grains. The government procured food grains are stored temporarily in the concerned states of their purchase and then transported to their desired FCI godowns as part of the buffer stock.

Buffer stock

Buffer stock schemes seek to stabilize the market price of agricultural products when the harvests are plentiful and selling stocks of the product on to the market when supplies are low.

Public Distribution System

Public distribution system means the regulated and controlled distribution of essential goods among people. Under the system, essential consumer goods are provided to people at fair prices through government agencies.

Fair price shop or Ration shop

Public distribution system ensures supply of essential commodities through a network of fair price shops.

Consumer's Co-operative stores

Consumer Co-operative plays an important role in the supply of quality goods at reasonable rates to common people. There is a three tier structure of consumer Co-operative societies in India.

Retail Prices

Public distribution system is carried on through the network of fair price shop (ration shops). These shops supply essential consumer goods to household at the price fixed by government. These prices are known as retail prices.

Agricultural Credit

Institutional sources for Agricultural credit can be divided into institutional and non-institutional sources.

The non-institutional sources are

- Money lenders
- Relatives
- Traders
- Commission agent
- land lords

The Institutional Sources

- Co-Operative Society
- Scheduled Commercial Banks
- Regional Rural Bank

As far as Co-operatives are concerned the Primary Agricultural Credit Societies (PACS) provide short term and medium term loan and Primary Cooperative Agriculture and Rural Development (PCARDBS) provide long term loans to agriculture. The commercial bank, including RRBS, provide both short term and long term loans for agriculture and allied activities.

NABARD

The National Bank for Agricultural and Rural Development is the apex institution established in 1982 for agricultural credit and provides refinance financial institution which finances the rural sector.

Functions of NABARD

1. To provide investment and production credit for promoting various developmental activities in rural areas.
2. To Co-ordinate the rural financing activities of all institutions engaged in developmental work at the field level and liaison with the government of India, the state government, the Reserve Bank and other national level institutions concerned with policy formulation.
3. To take measures towards institutional building for improving absorbing capacity of the credit delivery system.
4. To undertake monitoring and evaluation of projects refinanced by it.

Green Revolution

The idea of green revolution is to use technology like mechanization, high yielding varieties, fertilizers, and chemicals in farming to increase food grains output. Using seeds with superior genetics was the scientific aspects of green revolution.

Indian Council for Agricultural Research was established (by the British in 1929) and was reorganized in 1965 and then again in 1973. It developed strains of high yield variety seeds mainly, wheat and rice and also millet and corn. Norman Ernest Borlaug was an American biologist who led initiatives worldwide that contributed to the extensive increase in agricultural production termed as the Green Revolution.

M.S. Swaminathan is an Indian geneticist and renowned for his leading role in India's Green Revolution, a program under which high yield varieties of wheat and rice were used to increase the food grain production. He is known as “Father of Indian green revolution” for his leadership and success in introducing and further developing high yielding – varieties of wheat in India.

Successes of Green Revolution

- Increase in Crop yields
- Increase in food production that helped to feed the ever increasing population.
- Increased output meant that some subsistence farmers had a surplus which they were also able to sell, helping to raise living standard.

Failures in green revolution

- To many farmers the cost of machinery was too much and they simply couldn't afford it.
- New irrigation schemes to provide the reliable source of water required by high yielding varieties.
- Large amount of fertilizers and pesticides required by the high yielding varieties also led to serious environmental problems.

National Agriculture Policy

- The first ever national agriculture policy was announced on July, 2000.
 - Over 4 percent annual growth rate aimed over next two decades
 - National agricultural insurance scheme to be launched.
 - Price protection for farmers.
 - Dismantling of restrictions and movement on agricultural commodities throughout the country.
 - Rational utilization of country's water resources.
 - Capital inflow to agricultural production.
 - Setting up of agro – processing units and creation of off – farm employment in rural areas.
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Second Green Revolution (1983-84)

- Implemented in the 12th Five Year Plan.

Objectives

- Organic agriculture
- Green agriculture
- Biomass farming
- Microscopic agriculture
- Importance was given to food in the first Green Revolution.
- The Second Green Revolution gave importance to all agricultural products.

National Agricultural Policy 2000

- It plays a key role in the control of price.

Objectives

- Agricultural growth is targeted to 4%
- Providing land for landless farmers
- Allowing private investment in agricultural sector
- New agriculture is also known as "rainbow revolution". It has the following revolution.
Agricultural production capacity can be measured by productivity of labour.

Rainbow Revolution

- Green - food grains
 - White - milk (animal husbandry)
 - Yellow - oil seeds
 - Blue - fish farming, fish water, clean water
 - Red - meat, tomato
 - Gold color - crops, honey, garden crops.
 - Silver - eggs, poultry farming
 - Gray - fertilizer
 - Black – Non conventional Energy (Petrol, Coal)
 - Brown -Leather production
 - Saffron - Sunflower
 - Fiber-cotton
 - Golden fiber - jute
 - Pink - Shrimp, Onion
 - Round – potato
- Rainbow Revolution includes the food chain revolution.
- Food chain revolution is to prevent wastage of food grains, vegetables and fruits.
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Food safety (2007)

- Introduced in the 10th Five Year Plan
- The definition of food safety by World Bank Report is “Every people should have enough food at all times to lead a healthy life”.
- Definition by Food and Agriculture Organization (1983), on food security “Ensuring that all people get food for their needs at all times and get enough economy”
- Food safety concept must be credible in the long run and to ensure that everyone get adequate amount of nutritious food

Food Safety Bill

- Food safety bill was introduced by former minister of food and agriculture Mr.K.V. Thomas in parliament on 22.12.2011.
- This bill guarantees an individual to get 1kg of rice for 1rupee and 1kg of wheat for 2rupees.

Rashtriya Krisi Vikas Yojana - 2007-08

(NATIONAL AGRICULTURAL DEVELOPMENT PROGRAMME)

- Introduced in the 11th Five Year Plan.
- Green Revolution was introduced in North Eastern States.
- Establishing vegetable production centers.

Krisi Kalyan Project

- It was announced in the budget of 2016-17.
- Objective - Agriculture improvement and protecting the well-being of farmers.
- The service tax for this scheme was increased by 0.5% on 1.6.2016.

Surplus Sales

- Agricultural store is the organization of surplus sales.
 - Sales part is the excess one which is remaining after farmer's own consumptions and livestock needs.
 - $(\text{Old Stock} + \text{Current Production}) - (\text{Consumption} + \text{Seed for next season}) = \text{Sales surplus}$.
 - Sales surplus is the total surplus of agriculture.
 - Sold surplus is net surplus of agriculture.
 - When sales surplus decreases the price of the food commodities will increase.
 - The largest unemployment and food shortage in India occurred during the indo – Burmese partition in 1937.
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The role of science in agriculture

- New varieties of yield and immune-based crops have been created due to the scientific development of agricultural production.
- The main cause of the Green Revolution in India is the newly dwarf variety of wheat (the Kalyan and Sona).
- Bt-cotton which is produced in the genetically modified techniques of cotton is resistant to Boleworm.
- The sophisticated scientific water management systems such as drip irrigation and microprocessor irrigation help in providing good water supply when there is a scarcity of water resources. Biofertilizers such as Rhizobium, Bluegreen Algae have greatly helped in sustainable development of agriculture.
- The use of modern machines in services such as ploughing, weeding and harvesting helps to increase agricultural production.

