

The story of village palampur.⇒ overview:

- The purpose of the story is to introduce some basic concepts relating to production and this we do through a story of a hypothetical village called palampur.
- Farming is the main activity in palampur. Some 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 center. The story of palampur takes us through the different type of production activities in the village.

⇒ Organisation of production:

There are four requirements for production of goods and services.

- (1) land and other natural resources such as water, forests, minerals.
- (2) Labour
- (3) physical capital such as tools, machines, buildings and materials and money.

⇒ Fixed capital : Tools, machines, buildings can be used in production over many years, and are called Fixed capital.

⇒ Working capital : Raw material and money in hand are called working capital.

Factor of production = Land, Labour, Capital, Enterprise.

⇒ Farming in palampur :

(a) Land is Fixed :

- 75% people who are working are dependent on farming in palampur.
- Land area under cultivation in palampur is fixed.
- Land area under cultivation is particularly fixed since 1960 in palampur.

* The standard unit of measuring land is hectare.

(b) Change in method of cultivation :

⇒ Multiple cropping and Modern Farming are the method of cultivation used in palampur to increase the production from land.

(c) Multiple cropping: cultivation of different type of crops in the same piece of land at same or different time is known as Multiple cropping. ex. Jawar Bajra in rainy season between oct and December, wheat is produced during winter season.

(d) Modern Farming:

- In this type of farming, High yielding varieties seeds are used. As a result same piece of land produce large quantities of food grains.
- In India Farmers of Punjab, Haryana and Western part of Uttar Pradesh were the first to try out the modern farming method.
- Introduction of the Green Revolution (1966-67, M. Swaminath) facilitated the cultivation of wheat and rice using HYV instead of traditional seeds. The HYVs are capable of producing more amount of grain on one plant.

(e) Sustainability of land:

- According to a Scientific report, in modern Farming natural resources are overused.

- chemical Fertilizers also kills bacteria and other micro-organism in the soil which are essential for the growth of plant
- Groundwater, rivers and lakes are polluted by the way of using of chemical Fertilizers.

(F) Distribution of Land:

- About $\frac{1}{3}$ of the 450 families are landless in palampur.
- 240 families cultivate small plots of land less i.e 2 hectares in size and remaining 60 families cultivate more than 2 hectares of land.
- A Few of the large Families (Farmers) cultivate 10 hectares or more than 10 hectares of land.

(G) Labour: Some Farmers are worked on their own land and some worked on another land for which they receive wage.

- Wages can be in cash or in kind. Wages varies from region to region, crop to crop and one Farm activity to another.

(H) Capital :-

- Huge Capital is required in the method of modern Farming.
- Small Farmers have lack of capital. They borrow money from large Farmers and money lenders at higher rate of Interest.
- There are three type of capital which are mostly used in any organization e.x. Working capital, Fixed capital and human capital.

(I) Selling of Farm products :-

- Surplus Farm products are sold to medium or large Farmers by the Small Farmers.
- After that medium and large Farmers sells there surplus directly to the market.
- The traders buy the products from the market and sell the products to Shope Keepers in the town and cities.

⇒ Non Farm activities in palaxam :-

- 25 percent of total population is engaged in-non farming activities in palampur.

• Small Scale manufacturing:

→ In palampur, Small Scale Industries manufacturing is done. Basically the work is carried out at home or in the field with the help of family labour. So labour is hired rarely.

• Transporting:

→ people and goods are ferried from one place to another through transporting service. For this service the workers get paid. In palampur, road is the mode of transport.

• Dairy:

→ Dairy is main source of earning in palampur.

→ Dairy is a type of business where harvesting or processing of animal milk are done mostly from cow and buffalo.

• Shopkeeping:

→ Shopkeeping is also a source of earning money in palampur.

→ Shopkeepers earn money by selling a wide range of items like rice, wheat, sugar even some cloth.

