



#### 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 did not 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 per cent 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.

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